

MEETING NO. 4181  
JOURNAL OF PROCEEDINGS  
BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM  
OF THE CITY OF DETROIT  
HELD WEDNESDAY, **APRIL 19, 2017**

10:00 A.M.

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

TRUSTEES PRESENT

Wendell Anthony	Trustee
Scott Benson	Ex-Officio Trustee/City Council Member
Lori Cetlinski	Trustee
Tasha L. Cowan	Trustee/Vice-Chair
James Chubb	Ex-Officio Trustee/Deputy-Treasurer
Olga Johnson	Trustee
John Naglick	Ex-Officio Trustee/Finance Director
June Nickleberry	Trustee
Gail Oxendine	Trustee
Thomas Sheehan	Trustee/Chair

TRUSTEES EXCUSED

None

TRUSTEES ABSENT

None

ALSO PRESENT

Cynthia A. Thomas	Executive Director
Lamonica Arrington-Cabeau	Manager II
Michael VanOverbeke	General Counsel
Michael Krushena	Assistant Chief Investment Officer
TaKneisha Johnson	Administrative Assistant II

STAFF EXCUSED

Ryan Bigelow	Chief Investment Officer
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CHAIRMAN

**THOMAS SHEEHAN**

The Board's Administrative Assistant took a verbal Roll Call at 10:19 a.m. and Chairperson Sheehan called the meeting to order. Chairperson Sheehan also took this time to introduce and welcome new Ex-Officio Trustee James Chubb.

Present at Roll Call: Lori Cetlinski, James Chubb, Tasha L. Cowan, Olga Johnson, June Nickleberry, Gail Oxendine and Thomas Sheehan

**Re: Service Retirement(s)**

Motion By: Trustee Nickleberry - Supported By: Trustee Oxendine

NAME, TITLE, DEPARTMENT	Gwendolyn Strode-Bartkowiak – Sr. Trans Serv Insp - Transportation
SERVICE CREDIT	27-06
EFFECTIVE DATE	03-04-17

NAME, TITLE, DEPARTMENT	Dwight T. Boyd – Hsg Reh Spec-LD Cert – Planning & Development
SERVICE CREDIT	32-06
EFFECTIVE DATE	02-07-17

NAME, TITLE, DEPARTMENT	Fern Clement – Program Analyst IV - Planning & Development
SERVICE CREDIT	17-08
EFFECTIVE DATE	11-23-16

NAME, TITLE, DEPARTMENT	Hosea Crumpler, III – Construction Inspector - DPW
SERVICE CREDIT	12-04
EFFECTIVE DATE	11-19-16

NAME, TITLE, DEPARTMENT	Allen Dupree – Spec Proj Tech – Water & Sewerage
SERVICE CREDIT	22-10
EFFECTIVE DATE	01-02-16

NAME, TITLE, DEPARTMENT	Frederick C. Hawkins – Laborer A - DPW
SERVICE CREDIT	10-01
EFFECTIVE DATE	11-23-16

**Re: Service Retirement(s) Cont'd**

Motion By: Trustee Nickleberry - Supported By: Trustee Oxendine

NAME, TITLE, DEPARTMENT	Loren Ann Patton – Clerk III – HR – Human Resources
SERVICE CREDIT	27-09
EFFECTIVE DATE	03-23-17

NAME, TITLE, DEPARTMENT	Anthony F. Williams – Construction Equipment Operator – Water & Sewerage
SERVICE CREDIT	27-05
EFFECTIVE DATE	02-17-17

Yeas: Cetlinski, Chubb, Cowan, Johnson, Nickleberry, Oxendine and Sheehan – 7

Nays: None

**Re: Early Retirement(s)**

Motion By: Trustee Nickleberry - Supported By: Trustee Oxendine

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

NAME, TITLE, DEPARTMENT	Janice Ann Evans – Business Analyst – Information Tech Services
SERVICE CREDIT	26-02
EFFECTIVE DATE	03-11-17

Yeas: Cetlinski, Chubb, Cowan, Johnson, Nickleberry, Oxendine and Sheehan – 7

Nays: None

**Re: Vested Retirement(s)**

Motion By: Trustee Nickleberry - Supported By: Trustee Oxendine

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

NAME, TITLE, DEPARTMENT	Jay Hudson – Vehicle Operator I – Water & Sewerage
SERVICE CREDIT	17-01
EFFECTIVE DATE	02-01-17

NAME, TITLE, DEPARTMENT	Dennis Ketelhut – Plant Tech - Water & Sewerage
SERVICE CREDIT	23-06
EFFECTIVE DATE	02-01-17

NAME, TITLE, DEPARTMENT	Richard McCants, Jr. – TEO – Transportation
SERVICE CREDIT	09-06
EFFECTIVE DATE	01-01-16

NAME, TITLE, DEPARTMENT	Joseph C. Parks, III – Water Systems Mechanic – Water & Sewerage
SERVICE CREDIT	16-04
EFFECTIVE DATE	03-01-17

Yeas: Cetlinski, Chubb, Cowan, Johnson, Nickleberry, Oxendine and Sheehan – 7

Nays: None

**Re: Hybrid Retirement(s)**

Motion By: Trustee Nickleberry - Supported By: Trustee Oxendine

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

NAME, TITLE, DEPARTMENT	Frederick C. Hawkins – Laborer A - DPW
SERVICE CREDIT	02-05
EFFECTIVE DATE	11-23-16

NAME, TITLE, DEPARTMENT	Mathew Kannanthanam – Prof Admin Analyst – Water & Sewerage
SERVICE CREDIT	02-09
EFFECTIVE DATE	03-15-17

NAME, TITLE, DEPARTMENT	Loren Ann Patton – Clerk III – HR – Human Resources
SERVICE CREDIT	02-09
EFFECTIVE DATE	03-23-17

Yeas: Cetlinski, Chubb, Cowan, Johnson, Nickleberry, Oxendine and Sheehan – 7

Nays: None

**Re: Change of Computation from Duty/Non-Duty Disability to Service Retirement(s)**

Motion By: Trustee Nickleberry - Supported By: Trustee Oxendine

**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	Ray Anthony Anderson – Street Maint Helper - DPW
SERVICE CREDIT	17-07
EFFECTIVE DATE	04-12-17

NAME, TITLE, DEPARTMENT	Cynthia E. Hardy-Barney – Office Assistant II – Public Lighting
SERVICE CREDIT	27-02
EFFECTIVE DATE	01-30-17

Yeas: Cetlinski, Chubb, Cowan, Johnson, Nickleberry, Oxendine and Sheehan – 7

Nays: None

**Re: Option Change**

Motion By: Trustee Nickleberry - Supported By: Trustee Oxendine

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

NAME, TITLE, DEPARTMENT	Lillian A. Key – Sr. Public Health Nurse - Health
SERVICE CREDIT	18-06
EFFECTIVE DATE	03-01-17
FROM:	Straight Life
TO:	B/Pop-Up

NAME, TITLE, DEPARTMENT	Norman M. Tillman – TEO - Transportation
SERVICE CREDIT	17-10
EFFECTIVE DATE	02-01-17
FROM:	Straight Life – Equate Age 62
TO:	Straight Life

Yeas: Cetlinski, Chubb, Cowan, Johnson, Nickleberry, Oxendine and Sheehan – 7

Nays: None

**Re: State Transfer**

Motion By: Trustee Nickleberry - Supported By: Trustee Oxendine

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

NAME, TITLE, DEPARTMENT	Arthur J. Breslin – Court Clerk Traffic Court – Recorder’s Court-Traf & Ord
SERVICE CREDIT	16-11
EFFECTIVE DATE	03-22-17

Yeas: Cetlinski, Chubb, Cowan, Johnson, Nickleberry, Oxendine and Sheehan – 7

Nays: None

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

THE GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT			
WEEKLY RECEIPTS FOR ACKNOWLEDGEMENT			
4/3/17 - 4/14/17			
April 19, 2017			
REMITTER NAME	DATE POSTED	DESCRIPTION	AMOUNT
<b>RECEIPTS</b>			
FIRST INDEPENDENCE BANK	04/03/17	Loan Deductions	43,084.03
UTGO	04/03/17	Interest and Principal on Stub Bonds (ISF)	295,084.19
UTGO	04/03/17	Interest and Principal on Stub Bonds (PAF)	699,501.11
POLICE & FIRE RETIREMENT SYSTEM	04/07/17	Reimburse Staff Wages	15,496.67
POLICE & FIRE RETIREMENT SYSTEM	04/07/17	Reimburse Staff Wages	8,931.57
LUMARA HEALTH INC	04/10/17	Class Action Proceeds	1,356.13
FIRST INDEPENDENCE BANK	04/11/17	Loan Deductions	45,283.68
SECURITIES LENDING	04/13/17	Earnings, March 2017	33,368.05
AMERICAN INTERNATIONAL GROUP, INC.	04/14/17	Class Action Proceeds	64,716.62
CITY OF DETROIT	04/07/17	Weekly Mandatory Pension Contribution	94,640.15
CITY OF DETROIT	04/07/17	Weekly Annuity Contribution	59,636.10
CITY OF DETROIT	04/13/17	Weekly Mandatory Pension Contribution	215,417.51
CITY OF DETROIT	04/13/17	Weekly Annuity Contribution	122,971.84
<b>TOTAL RECEIPTS</b>			<b>\$ 1,699,487.65</b>

Prepared by Fort, Bne 4/17/17

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**Re: Fees and Expenses**

Resolution Moved By: Trustee Nickleberry - 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:



**Re: Fees and Expenses (Cont'd)**

**Resolution Moved By: Trustee Nickleberry - Supported By: Trustee Cetlinski**

THE GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT  
LIST OF DISBURSEMENTS FOR BOARD APPROVAL  
FOR APRIL 19, 2017

<u>PAYEE</u>	<u>DATE</u>	<u>INVOICE NO</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
<b>CAPITAL CALLS:</b>				
LANDMARK EQUITY PARTNERS XV, L.P.	4/10/2017		Due 4/21/17	\$95,224.00
Subtotal				\$95,224.00
<b>MANAGEMENT FEES:</b>				
AMERICAN REALTY ADVISORS	4/12/2017		Management Fees - 1Q17, Invoice #6873	\$10,000.00
BlackRock Financial Management, Inc	3/22/2017	20161231-511-A	Management Fees - 4th Qtr '16	\$21,522.36
Subtotal				\$31,522.36
<b>ADMINISTRATIVE EXPENSES:</b>				
500 WEBWARD LLC	3/30/2017	761258	Electrical Reading, 2/27/17-3/30/17, Meter #16055070	\$971.96
500 WEBWARD LLC	4/1/2017	31263	Rent - April 2017	\$23,150.03
500 WEBWARD LLC	3/30/2017	761257	Electrical Reading, 2/27/17-3/30/17, Meter #16055044	\$932.89
CINTAS CORPORATION-300	3/22/2017	300712614	Floor Mats	\$71.30
CRAIN COMMUNICATIONS, INC	4/13/2017	I00111810	New Job Posting	\$1,074.00
CREATIVE BREAKTHROUGHS INC	3/10/2017	1196817	IT Security Svcs	\$49.99
CREATIVE BREAKTHROUGHS INC	3/31/2017	1196969	IT Security Svcs	\$11,150.00
CREATIVE BREAKTHROUGHS INC	4/7/2017	1196989	IT Security Svcs	\$17.50
CRESTWOOD ASSOCIATES LLC	3/20/2017	INV017485	Acumatica Training	\$375.00
CRESTWOOD ASSOCIATES LLC	3/17/2017	INV017478	Acumatica Training	\$825.00
CRESTWOOD ASSOCIATES LLC	3/10/2017	INV017104	Acumatica Training	\$2,200.00
CRESTWOOD ASSOCIATES LLC	3/3/2017	INV016805	Acumatica Training	\$2,300.00
CRESTWOOD ASSOCIATES LLC	2/24/2017	INV016575	Acumatica Training	\$1,850.00
CRESTWOOD ASSOCIATES LLC	2/17/2017	INV016280	Acumatica Training	\$540.36
CRESTWOOD ASSOCIATES LLC	4/14/2017	INV018465	Acumatica Training	\$1,725.00
FEDEX	4/12/2017	5-767-14843	FedEx Mailings	\$33.88
IRON MOUNTAIN	3/31/2017	201270962	Storage CDs	\$687.19
IRON MOUNTAIN RECORDS MANAGEMENT	3/31/2017	NRV6472	Records Storage	\$1,514.05
METCOM	3/15/2017		Business Cards	\$33.21
NEOFUNDS BY NEOPOST	4/3/2017	040317	Postage	\$628.46
<b>PLANET TECHNOLOGIES, INC</b>				
PLANET TECHNOLOGIES, INC	3/31/2017	116915	Computer Services	\$825.00
STAFF WAGES	4/12/2017		Staff Wages for 3/27/17-4/9/17	\$8,650.49
UHY ADVISORS	3/31/2017		Professional Accounting Services	\$106,987.50
Subtotal				\$166,592.81
<b>OTHER EXPENSES:</b>				
THOMAS SHEEHAN	4/14/2017	041417	Retired Trustee Stipend	\$800.00
THOMAS SHEEHAN	4/13/2017	041317	Retired Trustee Parking	\$78.00
WENDELL ANTHONY	4/14/2017	041417	Trustee Stipend	\$800.00
Subtotal				\$1,678.00
<b>Total Disbursements for Board Approval</b>				<b>\$296,017.17</b>

Yeas: Cetlinski, Chubb, Cowan, Johnson, Nickleberry, Oxendine and Sheehan – 7

Nays: None

**Re: Refunds of Accumulated Contributions**

Motion By: Trustee Cetlinski - Supported By: Trustee Nickleberry

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

**List No. 7304 - \$106,590.52**

**List No. 7305 - \$241,362.81**

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

Yeas: Cetlinski, Chubb, Cowan, Johnson, Nickleberry, Oxendine and Sheehan – 7

Nays: None

**Re: Employee Loan Program**

Motion By: Trustee Oxendine – 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: **\$50,528.00** including interest, be hereby **APPROVED**.

Yeas: Cetlinski, Chubb, Cowan, Johnson, Nickleberry, Oxendine and Sheehan – 7

Nays: None

- ***Trustee Wendell Anthony joined the Board Meeting at 10:23 a.m.***

### **MANAGER'S REPORT**

The Retirement System's Manager, **Lamonica Arrington-Cabean**, discussed the following with The Board:

- Trustee Cowan will serve as a delegate for the NCPERS Election
- Request for Proposal (RFP) for Media Relations and Communications Consultant draft has been distributed. No action necessary at this time (FYI). There will be a search committee formed if anyone is interested in participating.

**Motion by: Trustee Nickleberry– Seconded by Trustee Cetlinski,** *to acknowledge that Trustee Cowan will serve as a delegate for the NCPERS Election. The motion passed by a unanimous vote.*

***~Managers' report concludes~***

### **ASSISTANT CHIEF INVESTMENT OFFICER'S REPORT**

Assistant Chief Investment Officer **Michael Krushena** discussed the following:

- CIO Ryan Bigelow is at an Investors Conference (U.S. Power Funds)
- Credit Opportunities/Managers under consideration
- Consultant RFP is forthcoming

- ***Trustee John Naglick joined the Board Meeting at 10:26 a.m.***

***The Board engaged in discussion regarding the criteria that is required of the candidates as well as other investment related matters.***

- ***Trustee Anthony requested a list of all eligible candidates.***

## **Open Forum**

Chairperson **Thomas Sheehan** opened the meeting for public discussion:

City of Detroit Retiree **Cedric Cook** addressed the Board regarding the following:

- Rate of return on investments as a whole
- When the funding status reaches 7%, will Retirees see a difference in pay?

***General Counsel would like the opportunity to look into Mr. Houghton's claim and update the Board with a formal written legal opinion at such time when it is available.***

## **EXECUTIVE DIRECTOR'S REPORT**

Executive Director, Cynthia A. Thomas discussed the following with The Board:

- Accounting Software upgrade is complete and in the testing phase
- Finalization of Procentia contract will be complete within the next month
- ERP system implementation will be complete between June and July
- RFP for phone system is complete. 8x8 Cloudtech has been selected to provide service. Kamal Cheeks utilized the Board's procurement policy and did an excellent job on this project.
- Mike Powning is retiring on May 5, 2017.
- Jennifer Shaska from IT has resigned and her last day is Friday April 21<sup>st</sup>, 2017. She is currently training remaining staff to assume her responsibilities.
- Executive Director Cynthia A. Thomas will travel to South Africa the first week of May (sponsored by the U.S. Agency for International Development) to develop relationships with African pension funds.

➤ ***Trustee Scott Benson*** joined the Board Meeting at 11:00 a.m.

## **GENERAL COUNSEL'S REPORT**

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

- Increased Employer Contribution Increase. **The Board engaged in discussion regarding the matter.**
- Reconsideration of Trustee Bensons request to exceed his annual \$12,000.00 training stipend.
- Governor's Task Force Meeting scheduled for Friday April 21<sup>st</sup>, 2017

**Motion by: Trustee Anthony– Seconded by Trustee Naglick,** *to acknowledge and approve Trustee Benson's request to exceed his educational/training stipend. The motion passed by a vote as follows:*

Yeas: Anthony, Chubb, Benson, Johnson, Naglick, and Sheehan – 6

Nays: Cetlinski, Cowan and Nickleberry - 3

Abstentions: Oxendine - 1

- **Trustee Wendell Anthony** excused himself from the Board Meeting at 11:40 a.m.

**Direction of Chair:** *Direct that General Counsel draft a correspondence regarding the employee contribution increase and bring it back to the next meeting (5/3/2017) for discussion.*

## **NEW BUSINESS/OLD BUSINESS**

- Conference Request

*Trustee Oxendine request to attend the 63<sup>rd</sup> Annual Employee Benefits Conference held in Las Vegas from October 22-25, 2017 and the International Foundation of Employee Benefit Plan Conference Certificate of Achievement and Public Plan Policy Parts I and II in June in St. Jose, CA*

**Motion by: Trustee Nickleberry– Seconded by Trustee Cetlinski,** *to acknowledge and approve Trustee Oxendine's conference attendance requests. The motion passed by a unanimous vote.*

**Direction of Chair:** *Direct that RFP for Investment Consultants be provided to all Board Trustees.*

## **ADJOURNMENT**

There being no further business before the Board, **Chairperson Sheehan** adjourned the meeting at 12:00 p.m. The Board's next meeting is scheduled for **Wednesday, May 3, 2017**, at 10:00 a.m. in the Retirement Systems' Conference Room, 500 Woodward Avenue Suite 3000; Detroit, Michigan 48226.

RESPECTFULLY SUBMITTED,



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LAMONICA ARRINGTON-CABEAN  
MANAGER II