

MEETING NO. 4190
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD WEDNESDAY, **AUGUST 16, 2017**

10:00 A.M.

RETIREMENT SYSTEMS' CONFERENCE ROOM
ALLY 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/Chair
*Kimberly Hall-Wagner	Trustee
John Naglick	Ex-Officio Trustee/Finance Director
June Nickleberry	Trustee/ Vice-Chair
Gail Oxendine	Trustee
Thomas Sheehan	Trustee

TRUSTEES EXCUSED

Wendell Anthony	Trustee
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TRUSTEES ABSENT

None

ALSO PRESENT

Cynthia A. Thomas	Executive Director
Lamonica Arrington-Cabean	Manager II
Ryan Bigelow	Chief Investment Officer
Michael VanOverbeke	General Counsel
Dr. Reginald O'Neal	Medical Director
TaKneisha Johnson	Administrative Assistant II

STAFF EXCUSED

None

*Trustee Hall-Wagner has not been sworn-in as of meeting #4190

CHAIRPERSON

Tasha L. Cowan

The Board's Administrative Assistant took a verbal Roll Call at 10:11 a.m. and Chairperson Cowan called the meeting to order.

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

Chairperson Cowan welcomed Trustee-Elect Kimberly Hall-Wagner to the Board.

MEDICAL DIRECTOR'S REPORT

Re: Entering Into Closed Session

Resolution Moved By: Trustee Sheehan – 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 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 updates on pending litigation and legal matters with the Board's Medical Director to discuss disability re-examinations.

A Roll Call Vote was taken as follows:

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

Nays: None

The Board entered into **Closed Session** at 10:13 a.m.

Re: Open Session

Motion By: Trustee Sheehan – Supported By: Trustee Nickleberry

RESOLVED, that the Board come out of Closed Session.

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

Nays: None

The Board returned to **Open Session** at 10:20 a.m.

Re: Annual Re-examinations

Motion By: Trustee Sheehan – Supported By: Trustee Nickleberry

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:

Jeanette Jackson
Cortez McCruter
Gail Shaffer

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

Nays: None

Re: Annual Re-examinations

Motion By: Trustee Sheehan – Supported By: Trustee Nickleberry

RESOLVED, that in accordance with the recommendation of the Medical Director, the following be CONTINUED on the Disability Retirement Payroll with no further examinations necessary:

Phyllis Bruce

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

Nays: None

Re: Legacy Plan Service Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Cetlinski

RESOLVED, that the application(s) for retirement from the **COMPONENT II (LEGACY) PLAN** as outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Barbara Belcher – Prof Admn Analyst – Water & Sewerage
SERVICE CREDIT	14-02
EFFECTIVE DATE	09-11-17

NAME, TITLE, DEPARTMENT	Eugene Curry – General Auto Mechanic - Transportation
SERVICE CREDIT	19-11
EFFECTIVE DATE	07-31-17

NAME, TITLE, DEPARTMENT	Michelle D. Scott – Sr. Serv Guard-General – General Services
SERVICE CREDIT	27-03
EFFECTIVE DATE	08-22-17

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

Nays: None

Re: Legacy Plan Early Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Cetlinski

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

NAME, TITLE, DEPARTMENT	Jubi Chackunkal – Traffic Engineer - DPW
SERVICE CREDIT	26-0
EFFECTIVE DATE	08-15-17

NAME, TITLE, DEPARTMENT	Sandra A. Gajewski – Foreman Assistant – General Services
SERVICE CREDIT	25-08
EFFECTIVE DATE	08-21-17

NAME, TITLE, DEPARTMENT	Sonya Walker – Asst Fire Disp – Fire (Civilian)
SERVICE CREDIT	22-08
EFFECTIVE DATE	07-21-17

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

Nays: None

Re: Legacy Plan Vested Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Cetlinski

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

NAME, TITLE, DEPARTMENT	Paul J. Baker – Park Devel Sub-Foreman – General Services
SERVICE CREDIT	20-10
EFFECTIVE DATE	08-01-17

NAME, TITLE, DEPARTMENT	Thomas E. Davidek – Zoo Horticulturist - Zoo
SERVICE CREDIT	19-09
EFFECTIVE DATE	08-01-17

NAME, TITLE, DEPARTMENT	Vincent Dysard – Supvg Aircraft Mech – Police (Civilian)
SERVICE CREDIT	18-09
EFFECTIVE DATE	08-01-17

NAME, TITLE, DEPARTMENT	Melanye J. Lawson – Assoc Dev Specialist – Planning & Development
SERVICE CREDIT	13-03
EFFECTIVE DATE	08-01-17

NAME, TITLE, DEPARTMENT	Patricia A. Nunn – Senior Clerk – Police (Civilian)
SERVICE CREDIT	15-08
EFFECTIVE DATE	08-01-17

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

Nays: None

Re: Option Change(s)

Motion By: Trustee Sheehan - Supported By: Trustee Cetlinski

RESOLVED, that the application(s) for retirement from the **OPTION CHANGE** as outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Michael J. Jurban – Team Leader – Water & Sewerage
SERVICE CREDIT	42-01
EFFECTIVE DATE	02-01-16
FROM:	Three/Pop-Up
TO:	Three

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

Nays: None

Re: Change of Computation

Motion By: Trustee Sheehan - Supported By: Trustee Cetlinski

RESOLVED, that the application(s) for **Change of Computation** which is outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Karen A. Rice – RCPO - DPW
SERVICE CREDIT	20-02
EFFECTIVE DATE	04-22-17

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

Nays: None

RECEIPTS: The Board received the following receipts for Acknowledgment.

THE GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT			
WEEKLY RECEIPTS FOR ACKNOWLEDGEMENT			
7/31/17 - 8/11/17			
August 16, 2017			
REMITTER NAME	DATE POSTED	DESCRIPTION	AMOUNT
RECEIPTS			
FIRST INDEPENDENCE BANK	07/31/17	Loan Deductions	42,142.20
FORT SHELBY	08/02/17	Distribution	177,659.42
LANDMARK EQUITY PARTNERS XV LP	08/04/17	Distribution	309,747.00
CLAREANT EURO DLF INVESTOR FEEDER LP	08/08/17	Distribution	224,642.79
ALPHA NATURAL RESOURCES INC	08/08/17	Class Action Proceeds	71.42
POLICE & FIRE RETIREMENT SYSTEM	08/09/17	Reimburse Staff Wages	8,838.90
FIRST INDEPENDENCE BANK	08/10/17	Loan Deductions	39,226.79
CITY OF DETROIT	08/04/17	Weekly Mandatory Pension Contribution	229,975.45
CITY OF DETROIT	08/04/17	Weekly Annuity Contribution	134,825.19
CITY OF DETROIT	08/11/17	Weekly Mandatory Pension Contributions	98,165.90
CITY OF DETROIT	08/11/17	Weekly Annuity Contribution	69,496.31
TOTAL RECEIPTS			\$ 1,334,791.37

Prepared by Fort, Brie 8/14/17

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GENERAL RETIREMENT SYSTEM
 CITY OF DETROIT
Re: Fees and Expenses

MEETING NO. 4190
 AUGUST 16, 2017

Resolution Moved By: Trustee Sheehan - 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:

General Retirement System

Company: RSCD-General

User: awitt

Branch: LEGACY

Meeting Date: 8/16/17

Category

LEGAL EXPENSES

Type	Vendor Ref.	Vendor Name	Bill Description	Due Date	To Pay
CHECK	072617.2	VANOVERBEKE MICHAUD & TIMMONY, P.C.	General Counsel Matters for April 2017	8/25/2017	23,705.00
CHECK	072617	VANOVERBEKE MICHAUD & TIMMONY, P.C.	General Counsel Matters for June 2017	8/25/2017	23,705.00
CHECK	072617.1	VANOVERBEKE MICHAUD & TIMMONY, P.C.	General Counsel Matters for May 2017	8/25/2017	23,723.00
Category Total:				3 Documents	71,133.00

INVESTMENT EXPENSES

Type	Vendor Ref.	Vendor Name	Bill Description	Due Date	To Pay
CHECK	80998	ABERDEEN ASSET MANAGEMENT INC.	Management Fees - 2nd Qtr '17	8/16/2017	62,160.95
CHECK	81070	ABERDEEN ASSET MANAGEMENT INC.	Management Fees - 2nd Qtr '17	8/16/2017	163,632.20
WIRE	111-2017-0014885	BNY Mellon	Management Fees - 2nd Qtr '17	9/1/2017	48,745.88
CHECK	2017 DETINTRL	EARNEST PARTNERS, LLC	Management Fees - 2nd Qtr '17	8/31/2017	243,504.94
CHECK	21827	MACKAY SHIELDS LLC	Management Fees - 2nd Qtr '17	9/1/2017	44,506.53
WIRE	80717	THL Credit Select Series - CLO Equity Fund	Capital Call	8/14/2017	531,814.01
Category Total:				6 Documents	1,094,364.31

ADMINISTRATIVE EXPENSES

Type	Vendor Ref.	Vendor Name	Bill Description	Due Date	To Pay
CHECK	37244	500 WEBWARD LLC	Rent - August 2017	8/31/2017	23,765.03
CHECK	080317W	BASSETT & BASSETT	Web Development - June 2017	9/2/2017	113.85
CHECK	616290	Bodman	Procentia Contract Review	7/20/2017	616.90
CHECK	300810016	CINTAS CORPORATION-300	Floor Mats	9/8/2017	79.23
WIRE	73117	ConnectPay	Staff Wages: 7/17/17-7/30/17	7/31/2017	8,843.78
CHECK	I00117256	Crain Communications, Inc	New Job Posting	7/27/2017	462.00
CHECK	1197515	CREATIVE BREAKTHROUGHS INC	IT Security Services	8/30/2017	11,400.00
CHECK	INV022581	CRESTWOOD ASSOCIATES L.L.C.	Acumatica Implementation	9/3/2017	50.00
CHECK	INV022890	CRESTWOOD ASSOCIATES L.L.C.	Acumatica Implementation	9/10/2017	25.00
CHECK	5-591-56501	FEDEX	FedEx Mailings	9/8/2017	55.45
CHECK	5-885-10351	FEDEX	FedEx Mailings	9/1/2017	50.12
CHECK	080217	Felicia Y. Parrish	Travel Reimbursement	8/2/2017	973.05

Re: Fees and Expenses (Cont'd)

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

CHECK	177197	Fred Pryor Seminars	Pryor+ Switch Training Rewards	7/10/2017	25.00
CHECK	177198	Fred Pryor Seminars	Pryor+ Training Rewards	7/10/2017	298.50
CHECK	432374	GABRIEL, ROEDER, SMITH & CO	Actuarial Services for June/July 2017 and 2018 Valuation	9/10/2017	44,876.00
CHECK	432208	GABRIEL, ROEDER, SMITH & CO	EDRO Calculations for D. Smith	9/7/2017	800.00
CHECK	432179	GABRIEL, ROEDER, SMITH & CO	EDRO Calculations for W. Riley	9/8/2017	800.00
CHECK	14111808	HARLAND TECHNOLOGY SERVICE	Toner Supplies	9/1/2017	2,644.50
CHECK	201365501	IRON MOUNTAIN	Storage CD's	8/30/2017	658.98
CHECK	PBU1180	Iron Mountain Records Management	Records Storage	7/31/2017	1,813.88
WIRE	73117	IT Contractual Wages: B. Hardy	IT Staff Wages for July 2017	7/31/2017	5,780.70
WIRE	73117	IT Contractual Wages: J. Hollins	IT Staff Wages for July 2017	7/31/2017	4,985.12
WIRE	73117	IT Contractual Wages: R. Tohou	IT Staff Wages for July 2017	7/31/2017	8,888.58
WIRE	73117	IT Contractual Wages: S. Vrooman	IT Staff Wages for July 2017	7/31/2017	409.50
WIRE	73117	IT Contractual Wages: V. Rallapalli	IT Staff Wages for July 2017	7/31/2017	7,476.84
CHECK	92296	Michigan Chronicle	New Job Posting	8/2/2017	236.00
CHECK	3036	NASRA	New Job Posting	8/1/2017	500.00
CHECK	947949235001	OFFICE DEPOT	Office Supplies	9/1/2017	21.44
CHECK	947949232001	OFFICE DEPOT	Office Supplies	8/28/2017	79.49
CHECK	947949230001	OFFICE DEPOT	Office Supplies	8/30/2017	123.59
CHECK	947949231001	OFFICE DEPOT	Office Supplies	8/30/2017	14.99
CHECK	947949233001	OFFICE DEPOT	Office Supplies	8/30/2017	13.49
CHECK	947949234001	OFFICE DEPOT	Office Supplies	8/30/2017	11.09
CHECK	104582559	QUILL	Office Supplies	8/16/2017	452.76
CHECK	104583241	QUILL	Office Supplies	8/16/2017	17.56
CHECK	104583237	QUILL	Office Supplies	8/16/2017	44.05
CHECK	104583240	QUILL	Office Supplies	8/16/2017	23.38
CHECK	104583238	QUILL	Office Supplies	8/16/2017	8.99
CHECK	104583236	QUILL	Office Supplies	8/16/2017	13.49
CHECK	1457260	PLANTE & MORAN	Financial Statement Audit for 6/30/17	8/30/2017	13,800.00
CHECK	5049682647	RICOH	Printer Maintenance	8/31/2017	264.49
CHECK	77854	RUSSELL INVESTMENTS	Russell Index Subscriptions	8/25/2017	250.00
CHECK	8122790495	SHRED-IT USA	Shredding Service Charges	8/21/2017	73.09
WIRE	106382	STOUT RISIUS ROSS, INC	GRS Pension Assets 2017	8/30/2017	23,857.32
WIRE	1221324	UHY Advisors MI, Inc. - Accounting	Professional Accounting Services for July 2017	8/30/2017	54,184.37
WIRE	1222180	UHY Advisors MI, Inc. - IT	Professional IT Services for July 2017	8/30/2017	11,400.00
WIRE	1222202	UHY Advisors MI, Inc. - IT	Professional IT Services for July 2017	8/30/2017	83,160.00
WIRE	152872	ULTIMATE PARKING MANAGEMENT LLC	Parking - August 2017	8/19/2017	1,959.00
WIRE	153784	ULTIMATE PARKING MANAGEMENT LLC	Parking - September 2017	9/10/2017	2,069.00
CHECK	9789956770	VERIZON WIRELESS	Wireless Charges: 8/26/17-7/25/17	8/24/2017	362.42
CHECK	99162586	WELLS FARGO VENDOR FINANCIAL SVCS, LLC	RICOH Color Copier Lease	8/7/2017	129.10
Category Total:				51 Documents	318,342.32

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

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:

List No. 7321 - \$346,151.61

List No. 7322 - \$207,287.02

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

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

Nays: None

Re: Employee Loan Program August 09, 2017

Motion By: Trustee Sheehan – Supported By: Trustee Nickleberry

RESOLVED, that the disbursements for the Employee Loan Program by members of the General Retirement System, as set forth in the amount of: **\$30,315.00** including interest, be hereby **APPROVED**.

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

Nays: None

Re: Employee Loan Program August 16, 2017

Motion By: Trustee Sheehan – Supported By: Trustee Nickleberry

RESOLVED, that the disbursements for the Employee Loan Program by members of the General Retirement System, as set forth in the amount of: **\$48,303.00** including interest, be hereby **APPROVED**.

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

Nays: None

Re: Minutes/Journal No. 4186 – (06/21/17)

Motion By: Trustee Sheehan – Supported By: Trustee Cetlinski

RESOLVED, that the Minutes/Journal of Proceedings of the General Retirement System of the City of Detroit, of Meeting No. 4186, held on June 26, 2017, be hereby **APPROVED** as recorded and submitted.

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

Nays: None

Manager's Report

Manager, **LaMonica Arrington-Cabean**, discussed the following with The Board:

- August meeting date reminder: (8/30/2017).
- Plante Moran Engagement Letter Approval
 - *Chairperson Cowan requests consistency with having the engagement letter available at the beginning of each subsequent fiscal year.*
- Cedric Cook's presentation requests and discussion

Motion by: Trustee Sheehan– Seconded by Trustee Cetlinski, to acknowledge receipt, review and approval of the engagement letter as presented by the Board's auditor. *The motion passed by a unanimous vote.*

~Manager's report concludes~

- ***Trustee Scott Benson excused himself from the Board Meeting at 10:31 a.m.***

The Board meeting was adjourned at 10:31 due to lack of a quorum.

- ***Trustee Scott Benson returned to the Board Meeting at 10:33 a.m.***

The Board regained its quorum and resumed at 10:33 a.m.

- ***Trustee John Naglick joined the Board Meeting at 10:37 a.m.***

EXECUTIVE DIRECTOR'S REPORT

Executive Director, **Cynthia A. Thomas** had no formal report this week but addressed the following:

- First Independence Bank amortization error follow-up (will be discussed during the legal report).

CHIEF INVESTMENT OFFICER'S REPORT

Chief Investment Officer **Ryan Bigelow** had no formal report this week but addressed the following:

- Audit proceedings
- **Trustee Gail Oxendine** joined the Board Meeting at 10:46 a.m.

GENERAL COUNSEL'S REPORT

General Counsel Michael VanOverbeke in addition to his formal legal report discussed the following matters:

- Jalopnik FOIA Request
- Bradley D. Smith IRS Tax Levy
- Harper Check Cashing Litigation
- First Independence Bank draft correspondence for approval

Motion by: Trustee Nickleberry– Seconded by Trustee Naglick, to acknowledge receipt, review and approval of the draft correspondence by First Independence Bank and authorize them to issue the notice to members. *The motion passed by a unanimous vote.*

Re: Entering Into Closed Session

Resolution Moved By: Trustee Sheehan – Supported By: Trustee Oxendine

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 updates on pending litigation and legal matters respect to the Book Cadillac Hotel Proposed Litigation.

A Roll Call Vote was taken as follows:

Yeas: Benson, Cetlinski, Cowan, Naglick, Nickleberry, Oxendine and Sheehan – 7

Nays: None

The Board entered into **Closed Session** at 10:56 a.m.

Re: Open Session

Motion By: Trustee Nickleberry – Supported By: Trustee Cetlinski

RESOLVED, that the Board come out of Closed Session.

Yeas: Benson, Cetlinski, Cowan, Naglick, Nickleberry, Oxendine and Sheehan – 7

Nays: None

The Board returned to **Open Session** at 11:34 a.m.

NEW BUSINESS/OLD BUSINESS

- Kathleen Colin of NASP Detroit appeared before the Board to thank everyone for their support with the Annual Raymond Welborne Memorial Classic that was held on July 28, 2017 which in turn assisted greatly with the Shafter Terry III 2017 Scholarship ceremony that was held on August 16, 2017.

ADJOURNMENT

There being no further business before the Board, **Chairperson Cowan** adjourned the meeting at 11:34 a.m. The Board's next meeting is scheduled for **Wednesday, August 30, 2017**, at 10:00 a.m. in the Retirement Systems' Conference Room, 500 Woodward Avenue Suite 3000; Detroit, Michigan 48226.

RESPECTFULLY SUBMITTED,

A handwritten signature in black ink, reading "Lamonica Arrington-Cabean", written in a cursive style. The signature is positioned above a horizontal line.

LAMONICA ARRINGTON-CABEAN
MANAGER II