

MEETING NUMBER 3096

JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM
OF THE CITY OF DETROIT

HELD THURSDAY, JUNE 16, 2016

9:00 A.M.

IN THE CONFERENCE ROOM OF THE RETIREMENT SYSTEMS
ONE DETROIT CENTER, 500 WOODWARD AVENUE, SUITE 3000, DETROIT, MICHIGAN 48226

TRUSTEES PRESENT

MARK DIAZ	ELECTED TRUSTEE/POLICE
MATTHEW GNATEK	ELECTED TRUSTEE/POLICE
ANGELA R. JAMES	EX/OFFICIO RETIRANT TRUSTEE/POLICE/MAYORAL DESIGNEE
BRENDA JONES	EX/OFFICIO TRUSTEE/CITY COUNCIL PRESIDENT
JOHN NAGLICK	EX/OFFICIO TRUSTEE/FINANCE DIRECTOR
JEFFREY PEGG	ELECTED TRUSTEE/FIRE/CHAIRPERSON
PORTIA ROBERSON	EX/OFFICIO TRUSTEE/ALTERNATE-HONORABLE MAYOR/VICE CHAIRPERSON
JOHN SERDA	ELECTED TRUSTEE/POLICE
DAVID SZYMANSKI	EX/OFFICIO TRUSTEE/TREASURER
TRACY THOMAS	ELECTED TRUSTEE/FIRE
GREGORY TROZAK	ELECTED RETIRANT TRUSTEE/POLICE
JOHN G. TUCKER	ELECTED RETIRANT TRUSTEE/FIRE

TRUSTEES EXCUSED

JUNE ADAMS	EX/OFFICIO TRUSTEE/ALTERNATE-CORPORATION COUNSEL
SEAN P. NEARY	ELECTED TRUSTEE/FIRE
PAMELA SCALES	EX/OFFICIO TRUSTEE/BUDGET DIRECTOR

TRUSTEES ABSENT

NONE

STAFF PRESENT

CYNTHIA A. THOMAS	EXECUTIVE DIRECTOR
DAVID CETLINSKI	ASSISTANT EXECUTIVE DIRECTOR
MICHAEL KRUSHENA	INVESTMENT OFFICER
RONALD A. KING	GENERAL COUNSEL
JANET S. LENEAR	RECORDING SECRETARY

STAFF EXCUSED

RYAN C. BIGELOW	CHIEF INVESTMENT OFFICER
-----------------	--------------------------

STAFF ABSENT

NONE

CHAIRPERSON

JEFFREY PEGG

VICE CHAIRPERSON

PORTIA ROBERSON

FOLLOWING A VERBAL ROLL CALL, CHAIRPERSON **PEGG** CALLED THE MEETING TO ORDER AT **9:03 A.M.**

APPROVAL OF JUNE 16, 2016 AGENDA

BY TRUSTEE DIAZ – SUPPORTED BY TRUSTEE THOMAS

RESOLVED, THAT TODAY'S JUNE 16, 2016 AGENDA BE APPROVED AS PREPARED AND SUBMITTED BY THE BOARD'S RECORDING SECRETARY:

YEAS – TRUSTEES DIAZ, GNATEK, JAMES, ROBERSON, THOMAS, TROZAK, TUCKER AND CHAIRPERSON PEGG – 8

NAYS – NONE

HYBRID APPLICATION

BY TRUSTEE DIAZ – SUPPORTED BY TRUSTEE GNATEK

RESOLVED, THAT THE HYBRID APPLICATION WHICH IS DESIGNATED BELOW BE APPROVED:

HYBRID APPLICATIONS

NAME/TITLE/DEPARTMENT: FRANCINE DAVIS-CAMPBELL – SERGEANT - POLICE
RETIREMENT TYPE/PLAN: SERVICE – POLICE 2014 PLAN
SERVICE CREDIT/EFFECTIVE DATE: 01 03 01 – 10 02 15

HYBRID APPLICATION - CONTINUED

YEAS – TRUSTEES DIAZ, GNATEK, JAMES, ROBERSON, THOMAS, TROZAK, TUCKER
AND CHAIRPERSON PEGG – 8

NAYS – NONE

DROP APPLICATIONS

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE DIAZ

RESOLVED, THAT THE DROP APPLICATIONS WHICH ARE DESIGNATED BELOW BE
APPROVED:

DROP APPLICATIONS

NAME/TITLE/DEPARTMENT: SHAWN CHILDREY – OFFICER - POLICE
RETIREMENT TYPE/PLAN: DROP - NEW
SERVICE CREDIT/EFFECTIVE DATE: 18 05 20 – 05 02 16

NAME/TITLE/DEPARTMENT: CHRIS GUINN – OFFICER - POLICE
RETIREMENT TYPE/PLAN: DROP - NEW
SERVICE CREDIT/EFFECTIVE DATE: 18 01 25 – 05 16 16

NAME/TITLE/DEPARTMENT: KERI SMITH – OFFICER - POLICE
RETIREMENT TYPE/PLAN: DROP - NEW
SERVICE CREDIT/EFFECTIVE DATE: 18 05 17 – 05 23 16

NAME/TITLE/DEPARTMENT: CLIFFAWN POWELL – COMM. OFFICER - POLICE
RETIREMENT TYPE/PLAN: DROP - NEW
SERVICE CREDIT/EFFECTIVE DATE: 18 00 07 – 06 29 16

NAME/TITLE/DEPARTMENT: GARY PICKENS – SERGEANT - FIRE
RETIREMENT TYPE/PLAN: DROP - NEW
SERVICE CREDIT/EFFECTIVE DATE: 23 00 14 – 06 17 16

YEAS – TRUSTEES DIAZ, GNATEK, JAMES, ROBERSON, THOMAS, TROZAK, TUCKER
AND CHAIRPERSON PEGG – 8

NAYS – NONE

RECEIPTS

THE RECEIPTS WHICH ARE REFERENCED ON PAGE 4 WERE ACKNOWLEDGED BY
THE BOARD:

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NUMBER 3096 – THURSDAY – JUNE 16, 2016

RECEIPTS - CONTINUED

The Police & Fire Retirement System of the City of Detroit			
Receipts for Acknowledgement			
5/30/16-6/10/16			
Meeting #3096			
June 16, 2016			
REMITTER	WIRE DATE	DESCRIPTION	AMOUNT
RECEIPTS			
BNY Mellon Settlement Fund Proceeds	06/01/16	Distribution	100,089.70
Alex Brown Realty - Lafer	06/01/16	Distribution	16,916.09
RACINE & ASSOCIATES	06/01/16	Settlement Proceeds - DPF v Paramount	3,000.00
Divorce Recoupment	06/01/16	Distribution	2,295.64
Alex Brown Realty - Lafer	06/01/16	Distribution	16,916.10
Alex Brown Realty - Beethoven	06/01/16	Distribution	19,060.67
Banyan - Athenium Hotel Corporation	06/01/16	Stock Sale Agreement	3,000,000.00
Falconhead Capital Partners II	06/01/16	Distribution	84,624.00
LA Capital Global Equity	06/03/16	Distribution	5,000,000.00
Analytic	06/08/16	Distribution	5,000,000.00
SW Pelham Fund III	06/10/16	Distribution	242,373.00
FIRST INDEPENDENCE BANK	05/26/16	Loan Deductions	49,943.22
FIRST INDEPENDENCE BANK	06/03/16	Loan Deductions	142,176.23
CITY OF DETROIT	05/27/16	Weekly Mandatory Employee Contribution	228,152.89
CITY OF DETROIT	05/27/16	Weekly Annuity Contribution	3,519.61
CITY OF DETROIT	06/03/16	Weekly Mandatory Employee Contribution	78,960.35
CITY OF DETROIT	06/03/16	Weekly Annuity Contribution	841.52
TOTAL RECEIPTS			\$ 13,988,869.02

DISBURSEMENTS

BY TRUSTEE DIAZ – SUPPORTED BY TRUSTEE GNATEK

RESOLVED, THAT THE DISBURSEMENTS WHICH ARE REFERENCED BELOW BE APPROVED:

The Police & Fire Retirement System of the City of Detroit			
Disbursements for Approval			
5/30/16-6/10/16			
Meeting #3096			
June 16, 2016			
PAYEE NAME		DESCRIPTION	AMOUNT
DISBURSEMENTS			
Annuity Refunds		Refund List # 3637	313,051.69
Checkwrite		Capital Calls, Legal, Administrative & Misc. Expenses	0.00
Loan Program		Loan Funding: Meeting No. 3095	44,365.00
TOTAL DISBURSEMENTS			\$ 357,416.69

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NUMBER 3096 – THURSDAY – JUNE 16, 2016

DISBURSEMENTS - CONTINUED

THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
LIST OF DISBURSEMENTS FOR BOARD APPROVAL
FOR JUNE 16, 2016

<u>PAYEE</u>	<u>DATE</u>	<u>INVOICE NO</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
CAPITAL CALLS:				
AMERICAN STRATEGIC VALUE REALTY FUND	6/8/2016		Due 6/22/16	\$1,500,000.00
Subtotal				\$1,500,000.00
ADMINISTRATIVE EXPENSES:				
500 WEBWARD LLC	5/27/2016	682140	Electrical Reading: 4/28/16-5/27/16, Meter #65750763	\$971.40
500 WEBWARD LLC	5/27/2016	682141	Electrical Reading: 4/28/16-5/27/16, Meter #87249577	\$403.90
500 WEBWARD LLC	5/27/2016	682142	Electrical Reading: 4/28/16-5/27/16, Meter #93052937	\$1,112.02
ALEX BROWN REALTY	6/6/2016	06062016	Loan Servicing Fees - May 2016	\$1,329.97
BAB ASSOCIATES, LLC	6/5/2016	2016-187	Media Consultant - May 2016	\$4,817.70
CANON SOLUTIONS AMERICA, INC	5/12/2016	4019117065	Computer Equipment & Services	\$68.25
CINTAS CORPORATION-300	4/20/2016	300494784	Floor Mats	\$56.97
CINTAS CORPORATION-300	5/18/2016	300512744	Floor Mats	\$56.97
COMCAST	5/14/2016	051416	High-Speed Internet	\$157.18
CREATIVE BREAKTHROUGHS INC	5/19/2016	119147	IT Security Svcs	\$4,000.00
DIRECTV	5/24/2016	28604278707	Service Charges	\$36.50
DIRECTV	4/24/2016	28369995117	Service Charges	\$34.00
FEDEX	6/8/2016	5-442-20582	FedEx Mailings	\$36.45
FEDEX	6/1/2016	5-435-32364	FedEx Mailings	\$47.69
FEDEX	5/25/2016	5-428-07770	FedEx Mailings	\$121.02
GABRIEL, ROEDER, SMITH & CO	5/20/2016	421974	EDRO Calculations - R. Turner	\$600.00
HARLAND TECHNOLOGY SERVICE	5/10/2016	13871412	Computer Services	\$1,981.25
IRON MOUNTAIN	5/31/2016	200976898	Storage CDs	\$617.98
IRON MOUNTAIN RECORDS MANAGEMENT	5/31/2016	MSA0057	Records Storage 6/1/16-6/30/16	\$1,377.90
IT STAFF WAGES	5/31/2016		IT Staff Wages for May 2016	\$53,222.60
KELLEY CAWTHORNE	6/1/2016	7295	Lobbyist Services - May 2016	\$7,500.00
MSCI INC.	4/27/2016	0400052159	Finance Subscription: 4/14/16-4/13/17	\$500.00
OFFICE DEPOT	5/25/2016	841772844001	Office Supplies	\$168.95
OFFICE DEPOT	5/27/2016	841772844002	Office Supplies	\$6.50
OFFICE DEPOT	5/27/2016	841772845001	Office Supplies	\$32.50
<i>6/15/2016 7:56:12 AM Accounting Disbursement List</i>				<i>Page 1 of 2</i>

THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
LIST OF DISBURSEMENTS FOR BOARD APPROVAL
FOR JUNE 16, 2016

<u>PAYEE</u>	<u>DATE</u>	<u>INVOICE NO</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
OFFICE DEPOT	6/9/2016	844396067001	Office Supplies	\$236.74
STAFF WAGES	6/5/2016		Staff Wages for 5/23/16 -6/5/16	\$18,005.90
UHY ADVISORS MI INC	5/31/2016		Prof Accounting Svcs - 5/1/16-5/31/16, Inv # 1175299	\$65,756.25
UHY ADVISORS MI INC	4/30/2016		Prof Consulting Svcs - 4/1/16-4/30/16, Inv # 1171355 (60% PFRS)	\$82,425.00
ULTIMATE PARKING MANAGEMENT LLC	5/20/2016	136732	Monthly Parking Lease - June 2016	\$2,505.00
ULTIMATE PARKING MANAGEMENT LLC	4/21/2016	135646	Monthly Parking Lease - May 2016	\$2,505.00
ULTIMATE PARKING MANAGEMENT LLC	3/17/2016	134186	Monthly Parking Lease - April 2016	\$3,030.00
VERIZON WIRELESS	6/4/2016	9766519607	Trustee Wireless: 5/5/16-6/4/16	\$602.26
WILSHIRE ASSOCIATES INCORPORATED	6/1/2016	INV00159147	Consulting Services - 3rd Qtr '16	\$128,574.48
Subtotal				\$382,898.33
OTHER EXPENSES:				
AON HEWITT /MCLAGAN	4/19/2016		Professional fees for competitive pay analysis	\$15,000.00
GLC ADVISORS & CO., LLC	6/1/2016		Advisory Fees (November 2015 - May 2016), Invoice #2016-1013	\$14,726.15
REGINALD E. ONEAL	6/3/2016	060316	Medical Examinations: 5/2/16-5/25/16	\$1,285.00
Subtotal				\$31,011.15
Total Disbursements for Board Approval				\$1,913,909.48

DISBURSEMENTS - CONTINUED

YEAS – TRUSTEES DIAZ, GNATEK, JAMES, ROBERSON, THOMAS, TROZAK, TUCKER
AND CHAIRPERSON PEGG – 8

NAYS – NONE

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY TRUSTEE DIAZ – SUPPORTED BY TRUSTEE GNATEK

RESOLVED, THAT THE CONTRIBUTIONS TO THE ANNUITY SAVINGS FUND BY MEMBERS OF THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT, INCLUDING INTEREST, BE REFUNDED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

LIST NUMBER 3637 - \$313,051.69

LIST NUMBER 3638 - \$396,032.77

YEAS – TRUSTEES DIAZ, GNATEK, JAMES, ROBERSON, THOMAS, TROZAK, TUCKER
AND CHAIRPERSON PEGG – 8

NAYS – NONE

1974 DEFINED CONTRIBUTION PLAN (EMPLOYEE LOAN PROGRAM)

BY TRUSTEE DIAZ – SUPPORTED BY TRUSTEE TROZAK

RESOLVED, THAT THE **1974** DEFINED CONTRIBUTION PLAN LOAN REQUEST LISTS SUBMITTED THIS DATE BE APPROVED AND THE REQUESTED AMOUNTS BE DISBURSED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

LIST #1 – \$44,365.00

LIST #2 – \$19,621.00

1974 DEFINED CONTRIBUTION PLAN (EMPLOYEE LOAN PROGRAM) - CONTINUED

YEAS – TRUSTEES DIAZ, GNATEK, JAMES, ROBERSON, THOMAS, TROZAK, TUCKER
AND CHAIRPERSON PEGG – 8

NAYS – NONE

APPROVAL OF MAY 21, 2016 MINUTES

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE THOMAS

RESOLVED, THAT THE MINUTES OF THE MEETING HELD **THURSDAY, MAY 21, 2016** BE APPROVED AS RECORDED AND SUBMITTED BY THE BOARD'S RECORDING SECRETARY:

YEAS – TRUSTEES DIAZ, GNATEK, JAMES, ROBERSON, THOMAS, TROZAK, TUCKER
AND CHAIRPERSON PEGG – 8

NAYS – NONE

TRUSTEE **BRENDA JONES** ENTERED THE MEETING AT 9:14 A.M.

ASSISTANT EXECUTIVE DIRECTOR'S REPORT

ASSISTANT EXECUTIVE DIRECTOR **DAVID CETLINSKI** ASKED THAT THE BOARD, IN CONJUNCTION WITH THE GENERAL RETIREMENT SYSTEM'S SCHEDULE OF MEETING ON THE FIRST AND THIRD WEDNESDAY OF EACH MONTH, CONSIDER MEETING ON THE FIRST AND THIRD THURSDAY OF EACH MONTH BEGINNING JULY 7, 2016. FOLLOWING DISCUSSION OF **MR. CETLINSKI'S** REQUEST, CHAIRPERSON **PEGG** DIRECTED THAT THIS MATTER BE RE-ADDRESSED AT THE BOARD'S JUNE 30, 2016 MEETING.

EXECUTIVE DIRECTOR'S REPORT

EXECUTIVE DIRECTOR **CYNTHIA A. THOMAS** HAD NOTHING TO REPORT.

CHIEF INVESTMENT OFFICER'S REPORT

IN CHIEF INVESTMENT OFFICER **RYAN C. BIGELOW'S** EXCUSED ABSENCE, INVESTMENT OFFICER **MICHAEL KRUSHENA** INFORMED THE BOARD THAT CLOSING DOCUMENTS WERE EXECUTED ON BEHALF OF THE SYSTEM IN CONJUNCTION WITH THE SYSTEM'S HARRISON STREET INVESTMENT.

PUBLIC RELATIONS DIRECTOR'S REPORT

PUBLIC RELATIONS DIRECTOR **BRUCE BABIARZ** PROVIDED THE BOARD WITH A POST-CHAPTER 9 BANKRUPTCY UPDATE.

TRUSTEE **JOHN SERDA** ENTERED THE MEETING AT 9:23 A.M.

LOBBYIST'S REPORT

LOBBYIST **OSCAR W. KING, III** PROVIDED THE BOARD WITH A MICHIGAN LEGISLATIVE UPDATE.

GENERAL COUNSEL'S REPORT

SPECIAL COUNSEL **SEAN P. GALLAGHER** OF CLARK HILL AND GENERAL COUNSEL **RONALD A. KING** (VIA PHONE CONFERENCE) ASKED THE BOARD TO ENTER INTO CLOSED SESSION TO DISCUSS PENDING LITIGATION.

CLOSED SESSION

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE DIAZ

RESOLVED, THAT THE BOARD ENTER INTO CLOSED SESSION FOR THE PURPOSE OF DISCUSSING PENDING LITIGATION:

A ROLL CALL VOTE WAS TAKEN AS FOLLOWS:

YEAS – TRUSTEES DIAZ, GNATEK, JAMES, JONES, ROBERSON, SERDA, THOMAS, TROZAK, TUCKER AND CHAIRPERSON PEGG – 10

NAYS – NONE

CLOSED SESSION - CONTINUED

THE BOARD ENTERED INTO CLOSED SESSION AT **9:33 A.M.**

TRUSTEE **DAVID SZYMANSKI** ENTERED THE MEETING AT 9:43 A.M.; AND TRUSTEE **JOHN NAGLICK** ENTERED AT 9:50 A.M.

OPEN SESSION

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE DIAZ

RESOLVED, THAT THE BOARD RETURN TO OPEN SESSION:

YEAS – TRUSTEES DIAZ, GNATEK, JAMES, JONES, NAGLICK, ROBERSON, SERDA,
SZYMANSKI, THOMAS, TROZAK, TUCKER AND CHAIRPERSON PEGG – 12

NAYS – NONE

THE BOARD RETURNED TO OPEN SESSION AT **10:35 A.M.**

RECESS

THE BOARD RECESSED FROM 10:35 A.M. UNTIL 10:40 A.M.

LA QUINTA HOLDINGS, INC. SECURITIES LITIGATION

BY TRUSTEE JAMES – SUPPORTED BY TRUSTEE SERDA

WHEREAS, the Board of Trustees is in receipt of a confidential memorandum from Special Counsel Peter Linden from the law firm of Kirby McInerney, LLP to the Trustees dated May 20, 2016 (the “Confidential Memorandum”), and

WHEREAS, the Confidential Memorandum advises the Board regarding pursuit of legal claims of the Retirement System involving a securities investment made by the Retirement System and regarding taking a leadership role as a plaintiff pursuing those legal claims, and

WHEREAS, the Board has been advised by the Executive Director and General Counsel in this matter in closed session, and

LA QUINTA HOLDINGS, INC. SECURITIES LITIGATION - CONTINUED

WHEREAS, the Board has considered this matter in open session, therefore be it

RESOLVED, that the Board accepts the recommendation of Special Counsel to pursue legal claims of the Retirement System as referenced in the Confidential Memorandum, and be it further

RESOLVED, that Special Counsel Peter Linden of the law firm Kirby McInerney, LLP, together with co-counsel Allen Brothers, PLLC, will represent the Board's interests in pursuing its legal interests in connection with the securities investment referenced in the Confidential Memorandum, and engaged for that purpose on appropriate terms subject to review of the Executive Director and General Counsel, and be it further

RESOLVED, that a copy of this resolution will be forwarded to Special Counsel Peter Linden of the law firm Kirby McInerney, LLP:

YEAS – TRUSTEES DIAZ, GNATEK, JAMES, JONES, NAGLICK, ROBERSON, SERDA,
SZYMANSKI, THOMAS, TROZAK, TUCKER AND CHAIRPERSON PEGG – 12

NAYS – NONE

UHY/IT UPDATE

CINDY HANNAFEY OF UHY PROVIDED THE BOARD WITH A COMPREHENSIVE UHY/IT UPDATE AS IT RELATES TO UHY'S PLAN TO UPDATE THE SYSTEMS' PROCESSES AND SOFTWARE - PHASE I (DIAGNOSTIC AND REQUIREMENTS GATHERING); PHASE II (PROCESS DESIGN AND STABILIZATION); AND PHASE III (SOFTWARE SELECTION). SHE THEN ASKED THE BOARD TO GRANT UHY AUTHORIZATION TO PROCEED WITH PHASE III.

THE BOARD EXCUSED **MS. HANNAFEY** AND CHAIRPERSON **PEGG** REQUESTED THAT GENERAL COUNSEL DRAFT A RESOLUTION WITH RESPECT TO PHASE III IMPLEMENTATION FOR THE BOARD'S REVIEW AND CONSIDERATION AT ITS JUNE 30, 2016 MEETING.

CHAIRPERSON/VICE CHAIRPERSON DESIGNATION

TRUSTEE **TRACY THOMAS** INFORMED THE BOARD THAT AT THE BOARD'S JUNE 30, 2016 MEETING HE WILL MAKE A MOTION TO RECONSIDER THE BOARD'S JUNE 2, 2016 MOTION DESIGNATING TRUSTEE **JOHN SERDA** AS CHAIRPERSON AND TRUSTEE **JOHN TUCKER** AS VICE CHAIRPERSON OF THE SYSTEM FOR THE TERM COMMENCING JULY 1, 2016 AND TERMINATING JUNE 30, 2017.

WILSHIRE ASSOCIATES

VIA PHONE CONFERENCE, **J.M. RUSCETTI** AND **CALVIN BORN** DISCUSSED THE SYSTEM'S EMERGING MANAGER PROGRAM AND RECOMMENDED THAT THE BOARD HIRE NORTHPOINTE CAPITAL AS AN EMERGING MANAGER.

TRUSTEES **DIAZ** AND **NAGLICK** EXCUSED THEMSELVES DURING **MESSRS. RUSCETTI'S** AND **BORN'S** PRESENTATION.

NORTHPOINTE CAPITAL

BY TRUSTEE SZYMANSKI – SUPPORTED BY TRUSTEE TUCKER

RESOLVED, THAT THE BOARD APPROVES THE RECOMMENDATION OF WILSHIRE'S PRESENTATION TO THE BOARD WHICH CONCURS WITH THE RECOMMENDATION OF THE BOARD'S INVESTMENT COMMITTEE, AND BE IT FURTHER

RESOLVED, THAT BASED UPON THE RECOMMENDATION OF THE BOARD'S CHIEF INVESTMENT OFFICER AND WILSHIRE, NORTHPOINTE CAPITAL BE HIRED AS AN EMERGING MANAGER (MICRO-CAP VALUE STRATEGY) WITH AN INITIAL ALLOCATION OF \$15,000,000.00, SUBJECT TO THE EXECUTION OF AN INVESTMENT MANAGEMENT AGREEMENT SATISFACTORY TO THE SYSTEM AND THE SYSTEM'S GENERAL COUNSEL AND ON-SITE DUE DILIGENCE:

YEAS – TRUSTEES GNATEK, JONES, ROBERSON, SERDA, SZYMANSKI, TROZAK,
TUCKER AND CHAIRPERSON PEGG – 8

NAYS – TRUSTEE JAMES – 1

ABSTENTIONS – TRUSTEE THOMAS – 1

WILSHIRE ASSOCIATES – CONTINUED

MESSRS. RUSCETTI AND BORN ALSO DISCUSSED MANAGER PERFORMANCE AS OF APRIL 30, 2016 AND PROVIDED THE BOARD WITH A CAPITAL MARKET UPDATE.

HYBRID APPLICATION

BY TRUSTEE SZYMANSKI – SUPPORTED BY TRUSTEE GNATEK

RESOLVED, THAT THE HYBRID APPLICATION WHICH IS DESIGNATED BELOW BE APPROVED:

HYBRID APPLICATION - CONTINUED

HYBRID APPLICATION

NAME/TITLE/DEPARTMENT: WILLIAM ASHFORD – DETECTIVE - POLICE
RETIREMENT TYPE/PLAN: DROP - NEW
SERVICE CREDIT/EFFECTIVE DATE: 20 02 11 – 05 23 16

YEAS – TRUSTEES GNATEK, JAMES, JONES, ROBERSON, SERDA, SZYMANSKI,
THOMAS, TROZAK, TUCKER AND CHAIRPERSON PEGG – 10

NAYS – NONE

RETIREMENT APPLICATION

BY TRUSTEE SZYMANSKI – SUPPORTED BY TRUSTEE GNATEK

RESOLVED, THAT THE RETIREMENT APPLICATION WHICH IS REFERENCED BELOW BE APPROVED:

RETIREMENT APPLICATION

NAME/TITLE/DEPARTMENT: STANLEY HINES – FIRE PREVENTION INSPECTOR - FIRE
RETIREMENT TYPE/PLAN: CONVERSION FROM DUTY DISABILITY
SERVICE CREDIT/EFFECTIVE DATE: 25 00 00 – 07 22 10

RETIREMENT APPLICATION - CONTINUED

YEAS – TRUSTEES GNATEK, JAMES, JONES, ROBERSON, SERDA, SZYMANSKI,
THOMAS, TROZAK, TUCKER AND CHAIRPERSON PEGG – 10

NAYS – NONE

PUBLIC FORUM

AT **1:45 P.M.**, **CHAIRPERSON PEGG** DECLARED THE MEETING IN OPEN FORUM
FOR GENERAL DISCUSSION BY THE PUBLIC ATTENDING THE MEETING.

ADJOURNMENT

THERE BEING NO FURTHER BUSINESS BEFORE THE BOARD, **CHAIRPERSON
PEGG** ADJOURNED THE MEETING AT **1:45 P.M.** UNTIL **THURSDAY, JUNE 30,
2016**, AT **9:00 A.M.**, IN THE CONFERENCE ROOM OF THE RETIREMENT
SYSTEMS, ONE DETROIT CENTER, 500 WOODWARD AVENUE, 30TH FLOOR (SUITE
3000), DETROIT, MICHIGAN 48226.

RESPECTFULLY SUBMITTED,



DAVID CETLINSKI
ASSISTANT EXECUTIVE DIRECTOR