

MEETING NO. 4052  
JOURNAL OF PROCEEDINGS  
BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM  
OF THE CITY OF DETROIT  
HELD WEDNESDAY, APRIL 16, 2014

9:00 A.M.

RETIREMENT SYSTEMS' CONFERENCE ROOM  
910 COLEMAN A. YOUNG MUNICIPAL CENTER  
DETROIT, MICHIGAN 48226

PRESENT

Wendell Anthony	Trustee
Scott Benson	Ex-Officio Trustee & City Council Member
Lori Cetlinski	Trustee
Tasha L. Cowan	Trustee
Lou Hatty	Trustee & Vice-Chairman
June Nickleberry	Trustee
Thomas Sheehan	Trustee & Chairman

EXCUSED

Deborah Wilkerson	Assistant Executive Director
-------------------	------------------------------

ABSENT

None

ALSO PRESENT

Cynthia A. Thomas	Executive Director
Ryan Bigelow	Investment Officer
Michael VanOverbeke	General Counsel
TaKneisha Johnson	Recording Secretary

CHAIRMAN

**THOMAS SHEEHAN**

VICE-CHAIRMAN

**LOU HATTY**

The Board's Recording Secretary took a verbal Roll Call at 9:45 a.m. and Chairman Sheehan called the meeting to order.

Present At Roll Call: Lori Cetlinski, Tasha L. Cowan, Lou Hatty, June Nickleberry and Thomas Sheehan.

**Re: Vested Retirements**

**Motion By: Trustee Hatty – Supported By: Trustee Cowan**

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

NAME, TITLE, DEPARTMENT	Glinda L. Aust – Emergency Medical Tech – Fire (Civilian)
SERVICE CREDIT	13-08
EFFECTIVE DATE	08-01-06

**Yeas:** Cetlinski, Cowan, Hatty, Nickleberry and Sheehan – 5

**Nays:** None

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

Motion By: Trustee Hatty – Supported By: Trustee Cowan

**RESOLVED**, that the **CHANGE OF COMPUTATION** application(s) which is/are outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Larry Barnes – Building Attendant A - Arts
SERVICE CREDIT	10-0
EFFECTIVE DATE	10-15-10

**Yeas:** Cetlinski, Cowan, Hatty, Nickleberry and Sheehan – 5

**Nays:** None

**Re: Option Change**

Motion By: Trustee Hatty – Supported By: Trustee Cowan

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

NAME, TITLE, DEPARTMENT	Gloria Caliman-Colclough – Head Acct – CDBA – Non-Departmental
SERVICE CREDIT	18-07
EFFECTIVE DATE	04-10-14
FROM:	Straight Life
TO:	Straight Life – Equate Age 65

**Yeas:** Cetlinski, Cowan, Hatty, Nickleberry and Sheehan – 5

**Nays:** None

**Re: Confirmations**

Motion By: Trustee Hatty – Supported By: Trustee Cetlinski

**RESOLVED**, that the receipts and disbursements which are referenced below be **CONFIRMED**:

THE GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT			
LIST OF RECEIPTS & DISBURSEMENTS			
FOR THE PERIOD 04/07/14 THRU 04/11/2014			
REMITTOR / PAYEE NAME	DATE POSTED	DESCRIPTION	AMOUNT
<b>RECEIPTS</b>			
Library	04/07/14	Pension Contributions	295,051.23
First Independence Bank	04/09/14	Loan Program- Posted Loan Deductions	94,270.24
First Merit Mortgage	04/10/14	Payment	442.23
Wireless Vision Holdings	04/10/14	Distribution	145,833.33
First Independence Bank	04/11/14	Weekly Annuity Contribution	124,499.33
WD RE Opportunity Fund I	04/11/14	Distribution	66,666.67
W & D Balanced Real Estate Fund LP	04/11/14	Distribution	218,800.00
<b>TOTAL RECEIPTS</b>			<b>945,563.03</b>
<b>DISBURSEMENTS</b>			
First Independence Bank	04/09/14	Annuity Refunds - List# 7148	(1,654,469.40)
First Independence Bank	04/09/14	Checkwrite	(73,213.57)
First Independence Bank	04/11/14	Loan Program - Approved 04/09/2014	(75,577.00)
<b>TOTAL DISBURSEMENTS</b>			<b>(1,803,259.97)</b>

**Yeas:** Cetlinski, Cowan, Hatty, Nickleberry and Sheehan – 5

**Nays:** None

**Re: Refunds of Accumulated Contributions**

Motion By: Trustee Hatty – Supported By: Trustee Nickleberry

**RESOLVED**, that the contributions to the Annuity Savings Fund by members of the General Retirement System, as set forth on **List No. 7150** in the amount of **\$1,897,583.41** including interest, be **REFUNDED**, pending audit by the Retirement Systems' Accounting Staff as reflected.

**Yeas:** Cetlinski, Cowan, Hatty, Nickleberry and Sheehan – 5

**Nays:** None

**Re: Employee Loan Program**

Motion By: Trustee Cowan – Supported By: Trustee Hatty

**RESOLVED**, that the disbursements for the Employee Loan Program by members of the General Retirement System, as set forth in the amount of **\$105,474.00** including interest, be hereby **APPROVED**.

**Yeas:** Cetlinski, Cowan, Hatty, Nickleberry and Sheehan – 5

**Nays:** None

**Re: Minutes/Journal No. 4050**

Motion By: Trustee Cetlinski – Supported By: Trustee Anthony

**RESOLVED**, that the Minutes/Journal of Proceedings, Meeting No. 4050 of the meeting of the Board of Trustees of the General Retirement System of the City of Detroit held **Wednesday, April 2, 2014** be hereby **APPROVED** as recorded and submitted.

**Yeas:** Cetlinski, Cowan, Hatty, Nickleberry and Sheehan – 5

**Nays:** None

**Re: Entering Into Closed Session**

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

**WHEREAS**, the Retirement System is subject to the Open Meetings Act (“OMA”) being MCL 15.261 et seq. and has adopted a resolution on May 2, 2012 relative thereto, **THEREFORE BE IT**

**RESOLVED**, that the Board enter into closed session for the purpose of discussing medical information which is privileged and subject to confidentiality under the Open Meetings Act and applicable law.

A Roll Call Vote was taken as follows:

**Yeas:** Cetlinski, Cowan, Hatty, Nickleberry and Sheehan – 5

**Nays:** None

The Board entered into **Closed Session** at 9:49 a.m.

**Re: Open Session**

Motion By: Trustee Hatty – Supported By: Nickleberry

**RESOLVED**, that the Board come out of Closed Session.

A Roll Call vote was taken as follows:

**Yeas:** Cetlinski, Cowan, Hatty, Nickleberry and Sheehan – 5

**Nays:** None

The Board returned to **Open Session** at 10:08 a.m.

➤ *Trustee Scott Benson joined the Board Meeting at 10:10 a.m.*

**MEDICAL DIRECTOR'S REPORT**

After listening to the reports and recommendations of the Medical Director regarding the disability examinations and the disability re-examinations, the Trustees voted on the following cases as reported and recommended by the Medical Director:

**INITIAL DISABILITIES:**

**Re: Jacques D. Pete**

Motion By: Trustee Hatty – Supported By: Trustee Cowan

**RESOLVED**, that the report of the Medical Director on the case of Jacques D. Pete be **ACCEPTED**, and **FURTHER BE IT**

**RESOLVED**, that based on the recommendation of the Medical Director, the Board **APPROVES** the application for a Duty Disability Retirement filed by Mr. Pete.

**Yeas:** Benson, Cetlinski, Cowan, Hatty, Nickleberry and Sheehan- 6

**Nays:** None

MEDICAL DIRECTOR'S REPORT- (Con't)

**INITIAL DISABILITIES:**

**Re: Randolph Skillman**

Motion By: Trustee Hatty – Supported By: Trustee Cowan

**RESOLVED**, that the report of the Medical Director on the case of Randolph Skillman be **ACCEPTED**, and **FURTHER BE IT**

**RESOLVED**, that based on the recommendation of the Medical Director, the Board **APPROVES** the application for a Duty Disability Retirement filed by Mr. Skillman.

Yeas: Benson, Cetlinski, Cowan, Hatty, Nickleberry and Sheehan- 6

Nays: None

**Re: Annual Re-examinations**

Motion By: Trustee Nickleberry – Supported By: Trustee Cowan

**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:

Adam Eaton  
Cathy Grandberry  
James Hagerman  
Dawn Jackson  
James Johnson  
David Knight  
Michael Nolan

and be it further,

**RESOLVED**, that in accordance with the recommendation of the Medical Director, the following be **CONTINUED** disabled with **NO FURTHER EXAMINATIONS NECESSARY**:

Terry Avery-Perry  
Jeanett Grace  
Victoria Kennedy  
Johnnie Mallett

**Yeas:** Benson, Cetlinski, Cowan, Hatty, Nickleberry, and Sheehan - 6

**Nays:** None

**EXECUTIVE DIRECTOR'S REPORT**

Executive Director Cynthia A. Thomas discussed the following matter(s) with the Board:

**Re: Fees and Expenses**

**Resolution Moved By: Trustee Cowan – Supported By: Trustee Hatty**

**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 approves payment of the following said Fees and Expenses:

THE GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT  
LIST OF DISBURSEMENTS FOR BOARD APPROVAL  
FOR APRIL 16, 2014

<u>PAYEE</u>	<u>DATE</u>	<u>INVOICE NO</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
<b>CAPITAL CALLS:</b>				
LANDMARK PARTNERS	4/8/2014		Draw	\$93,076.00
Subtotal:				\$93,076.00
<b>MANAGEMENT FEES:</b>				
PIEDMONT INVESTMENT	3/13/2014		4th Quarter 2013	\$20,898.16
Subtotal:				\$20,898.16
<b>LEGAL FEES AUDITED BY ACCOUNTING, APPROVED BY GENERAL COUNSEL AS INDICATED:</b>				
COUZENS, LAWSKY, FEALK, BULLO P.C.	4/8/2014	80620	Legal Fees - OK to Pay per MVO on 04/14/14 - Book Cost Rec thru 04/04/14	\$7,484.17
Subtotal:				\$7,484.17
<b>OTHER EXPENSES:</b>				
ADP, INC	4/4/2014	434614927	Check Printing Services	\$7,680.87
SACKETT S. SACKETT	4/3/2014	409-14	Media Consultant	\$5,376.26
DETROIT-WAYNE JOINT BUILDING AUTHORITY	3/19/2014	201214131	A/C Units Utility Block Charges Jan - Jun 2014	\$19,484.38
FEDEX	4/2/2014	2-609-28762	FEDEX Mailings	\$59.78
FEDEX	4/8/2014	2-619-61071	FEDEX Mailings	\$38.29
GRAPHIC SCIENCES, INC	4/2/2014	0134048-IN	Software Services	\$393.80
GREEN MEADOWS LANDSCAPE, INC	4/2/2014	\$1375	PFRGERS Jefferson Property Maintenance	\$112.80
GREENHILL & CO., LLC	4/2/2014	140052	Retainer Fee for March 2014 & Expenses	\$79,680.00
IRON MOUNTAIN	3/31/2014	200254825	Storage CDs	\$540.81
MELISSA DATA CORP	4/10/2014	1671251	Address Web Service	\$1,322.50
QUILL CORPORATION	4/1/2014	1809473	Office Supplies	\$40.48
QUILL CORPORATION	3/21/2014	1791616	Office Supplies	\$216.75
UNIVERSAL SYSTEM TECHNOLOGIES INC	4/7/2014	2104848	IT Staff Salary for February 2014	\$892.12
UNIVERSAL SYSTEM TECHNOLOGIES INC	4/2/2014	2104844	IT Staff Salary for March 2014	\$511.87
VERIZON WIRELESS	3/28/2014	9722512816	Wireless Service	\$649.63
Subtotal:				\$176,804.83
<b>PAYEE</b>	<b>DATE</b>	<b>INVOICE NO</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
Total Disbursements for Board Approval				<b>\$238,362.16</b>

Yeas: Benson, Cetlinski, Cowan, Hatty Nickleberry and Sheehan – 6

Nays: None



**EXECUTIVE DIRECTOR'S REPORT (cont'd)**

- Friday April 18<sup>th</sup>, 2014 is the last day for "Early Bird" registration for the Mapers Conference which will be held May 18<sup>th</sup>-20<sup>th</sup> 2014
- Preliminary Audit Meeting Progression
- Update from Dennis Linet regarding IT staff changes and possible replacement for Jason DeLuce

➤ *Trustee Wendell Anthony joined the Board Meeting at 10:19 a.m.*

~Concludes Executive Director's Report~

**INVESTMENT OFFICER'S REPORT**

Investment Officer Ryan C. Bigelow discussed the following matter(s) with the Board:

- Memo from Cole Credit Property Trust Inc. regarding Tender Offer

**Re: Tender Offer from Cole Credit Property Trust**

Motion By: Trustee Hatty – Supported By: Trustee Anthony

**WHEREAS**, the Board is in receipt of a tender offer from Cole Credit Property Trust, Inc. and

**WHEREAS**, the Board of Trustees with its Staff, reviews the Board's asset allocation, and

**WHEREAS**, the current allocation to Real Estate is in excess of the Board's target allocation, and

**WHEREAS**, the Board has discussed this tender offer with Staff, and has a recommendation from its Investment Officer, and

**WHEREAS**, the Board has decided to accept the tender offer and liquidate its position in the REIT; **THEREFORE BE IT**

**RESOLVED**, that the Letter of Transmittal to tender shares of common stock in the Cole Credit Property Trust be submitted for total redemption, and **FURTHER BE IT**

**RESOLVED**, that the Board's Staff take appropriate action to implement the foregoing.

**Yeas:** Anthony, Benson, Cetlinski, Cowan, Hatty, Nickleberry and Sheehan – 7

**Nays:** None

➤ *The Board RECESSED for break at 10:25 a.m. and resumed at 12:33 p.m.*

**Re: Entering Into Closed Session**

Resolution Moved By: Trustee Hatty – Supported By: Trustee Anthony

**WHEREAS**, the Retirement System is subject to the Open Meetings Act (“OMA”) being MCL 15.261 et seq. and has adopted a resolution on May 2, 2012 relative thereto, **THEREFORE BE IT**

**RESOLVED**, that the Board enter into closed session for the purpose of discussing Attorney-Client Privileged matters regarding City of Detroit Bankruptcy litigation w/ phone call from Lisa Blatt, (Arnold and Porter) appearance by Ron King and Bob Gordon of Clark Hill, PLC, as well as Bradley Robins, Eric Mendelsohn and Jochen Schmitz (via phone).

A Roll Call Vote was taken as follows:

**Yeas:** Anthony, Benson, Cetlinski, Cowan, Hatty, Nickleberry and Sheehan – 7

**Nays:** None

The Board entered into **Closed Session** at 12:35 p.m.

**Re: Open Session**

Motion By: Trustee Anthony – Supported By: Trustee Hatty

**RESOLVED**, that the Board return to **Open Session**:

A Roll Call vote was taken as follows:

**Yeas:** Anthony, Benson, Cetlinski, Cowan, Hatty, Nickleberry and Sheehan – 7

**Nays:** None

The Board returned to **Open Session** at 2:52 p.m.

**Re: Mediation Settlement Proposal**

**By: Trustee Hatty – Supported By: Trustee Cetlinski**

Based upon the recommendation of the Board's Bankruptcy Professionals, Advisors, and General Counsel, The Board hereby indicates its support of the Basic Economic Terms of the Mediation Settlement Proposal providing for a 4.5% across the board Pension Benefit Reduction, Loss of COLA and an ASF Recoupment with a 20% cap (subject to the Court's determination as to appropriateness and legality); the foregoing support being conditioned upon resolution of the ancillary terms to the Board's satisfaction as discussed in closed session:

**Yeas:** Anthony, Benson, Cetlinski, Cowan, Hatty, Nickleberry and Sheehan – 7

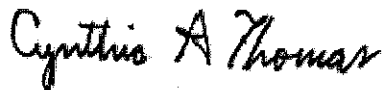
**Nays:** None

- *Trustee Wendell Anthony excused himself for the day 2:55 p.m.*
- **The Board RECESSED for break at 2:57 p.m.**
- *Trustee Scott Benson excused himself for the day 3:01 p.m.*
- *Trustee Lori Cetlinski excused herself for the day 3:02 p.m.*

**ADJOURNMENT**

**Due to a loss of quorum, Chairman Sheehan** adjourned the meeting at 3:05 p.m. The Board's next meeting is scheduled for **Wednesday April 23, 2014**, at 9:00 a.m. in the Retirement Systems' Conference Room, 910 Coleman A. Young Municipal Center; Detroit, Michigan 48226.

RESPECTFULLY SUBMITTED,



---

CYNTHIA A. THOMAS  
EXECUTIVE DIRECTOR