

MEETING NUMBER 3793

JOURNAL OF PROCEEDINGS OF THE BOARD OF TRUSTEES OF THE
GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT



PROCEEDINGS HELD WEDNESDAY, MAY 6, 2009
9:00 A.M.

IN THE CONFERENCE ROOM OF THE RETIREMENT SYSTEMS
910 COLEMAN A. YOUNG MUNICIPAL CENTER
DETROIT, MICHIGAN 48226



PRESENT

Wendell Anthony	Trustee
David Clark	Trustee
Sheila Cockrel	Ex-Officio Trustee & Council Member
Cedric Cook	Trustee
Gerald Fischer	Trustee & Vice-Chairperson
Susan Glaser	Trustee
Timothy Ngare	Ex-Officio Trustee & Treasurer
Ronald Zajac	Legal Counsel
Rita Coats	Recording Secretary (GRS)

EXCUSED

Sheila Kneeshaw	Trustee & Chairperson
Ronald Gracia	Trustee
Stephanie Milledge	Ex-Officio Trustee
Walter Stampor	Executive Secretary
Myron T. Terrell	Assistant Executive Secretary
Richard Huddleston	Investment Analyst

ABSENT

None

CHAIRPERSON

Sheila W. Kneeshaw

VICE-CHAIRPERSON

Gerald Fischer

ROLL CALL WAS TAKEN AT 9:40 A.M. AND VICE-CHAIRPERSON FISCHER CALLED THE MEETING TO ORDER.

SERVICE RETIREMENTS – By Trustee Glaser/Supported by Trustee Cockrel

RESOLVED, that the Service Retirement applications which are outlined below is hereby approved:

Yeas: Trustees Clark, Cockrel, Cook, Glaser, Ngare, and Vice-Chairperson Fischer – 6

Nays: None

SERVICE RETIREMENTS

NAME, TITLE, DEPARTMENT	Alma Banks – Asst. Trans. Dist. Supt. - Transportation
SERVICE CREDIT	34-10
EFFECTIVE DATE	04-14-09
NAME, TITLE, DEPARTMENT	Nathan Bell – Supv. Radio Maint. - ITS
SERVICE CREDIT	30-04
EFFECTIVE DATE	04-17-09
NAME, TITLE, DEPARTMENT	Darlean Bridges – Library Coordinator of Major Activity I - Library
SERVICE CREDIT	36-08
EFFECTIVE DATE	03-19-09
NAME, TITLE, DEPARTMENT	Jennifer E. Brown – Assistant Director - Library
SERVICE CREDIT	33-11
EFFECTIVE DATE	03-20-09
NAME, TITLE, DEPARTMENT	Leroy Howell – Line Helper – Public Lighting
SERVICE CREDIT	14-07
EFFECTIVE DATE	04-23-09

NAME, TITLE, DEPARTMENT	Betty A. Jackson – Head Clerk - Finance
SERVICE CREDIT	31-04
EFFECTIVE DATE	04-16-09

NAME, TITLE, DEPARTMENT	Sarah D. Lile – Director – Environmental Affairs
SERVICE CREDIT	10-02
EFFECTIVE DATE	04-01-07

EARLY RETIREMENT – By Trustee Glaser/Supported by Trustee Clark

RESOLVED, that the Early Retirement application which is outlined below is hereby approved:

Yeas: Trustees Clark, Cockrel, Cook, Glaser, Ngare, and Vice-Chairperson Fischer – 6

Nays: None

EARLY RETIREMENT

NAME, TITLE, DEPARTMENT	Ronald L. Carter – General Auto Mechanic -Transportation
SERVICE CREDIT	27-06
EFFECTIVE DATE	01-10-08

Vested Retirement – By Trustee Glaser/Supported by Trustee Clark

RESOLVED, that the Vested Retirement application which is outlined below is hereby approved:

Yeas: Trustees Clark, Cockrel, Cook, Fischer, Glaser, Ngare, and Vice-Chairperson Fischer - 6

Nays: None

VESTED RETIREMENT

NAME, TITLE, DEPARTMENT	Freman Hendrix – Chief Admin. Officer – Mayor's Office
SERVICE CREDIT	24-03
EFFECTIVE DATE	02-01-08

Confirmations – By Trustee Clark/Supported by Trustee Cockrel

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

Yeas: Trustees Clark, Cockrel, Cook, Glaser, Ngare and Chairperson Fischer - 6

Nays: None

CONFIRMATIONS (RECEIPTS AND DISBURSEMENTS)

THE GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT LIST OF RECEIPTS & DISBURSEMENTS FOR THE PERIOD 05/04/09 THRU 05/08/09			
REMITTOR / PAYEE NAME	WIRE DATE	DESCRIPTION	AMOUNT
RECEIPTS			
MFH 9.5% Trust Preferred Securities (MMA)	05/04/09	Distribution- 1st Quarter 2009	\$ 285,000.00
Real Times, Inc.	05/05/09	Remittance- 04/09	118,958.33
RLJ Select Diversified Fund, LLC	05/08/09	Return of Capital (Due to Fund Liquidation)	981,282.60
The City of Detroit	05/08/09	Weekly Annuity Contribution	450,776.41
Westin Book Cadillac Hotel (Cadillac Funding Associates)	05/05/09	Remittance- 04/09	60,000.00
			TOTAL RECEIPTS \$ 1,895,017.34
DISBURSEMENTS			
6200 Second Avenue Lofts (CAP)	05/07/09	Interest Payment/Draw- 04/09	\$ (8,363.12)
ADP, Inc.	05/08/09	Fees	(81.29)
First Independence National Bank	05/05/09	Refund List # 6906	(472,539.65)
First Independence National Bank	05/05/09	Checkwrite	(22,878.16)
			TOTAL DISBURSEMENTS \$ (503,862.22)

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY TRUSTEE GLASER/SUPPORTED BY TRUSTEE CLARK

RESOLVED, THAT THE CONTRIBUTIONS TO THE ANNUITY SAVINGS FUND BY MEMBERS OF THE **GENERAL RETIREMENT SYSTEM** OF THE CITY OF DETROIT, AS SET FORTH ON LIST #6907, IN THE AMOUNT OF **\$2,394,073.70**, INCLUDING INTEREST, BE REFUNDED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

Yeas: Trustees Clark, Cockrel, Cook, Glaser, Ngare and Chairperson Fischer - 6

Nays: None

ASSISTANT EXECUTIVE SECRETARY'S REPORT

Capital Calls

By Trustee Glaser/Supported by Trustee Clark

WHEREAS, the Board has been presented with the capital calls which are referenced below, and

WHEREAS, the Board has been requested to approve funding of said capital calls, therefore be it

RESOLVED, that subject to final approval of all transaction documents by the Board's Legal Counsel and subject to staff audit, the Board approves funding of said capital calls:

Yeas: Trustees Clark, Cockrel, Cook, Glaser, Ngare and Chairperson Fischer - 6

Nays: None

Fees and Expenses

By Trustee Clark/Supported by Trustee Glaser

WHEREAS, the Board has been presented with the fees and expenses which are referenced below requesting payment for services rendered, and

WHEREAS, the Board is satisfied that the services that were requested by the Board were provided to the Board, therefore be it

RESOLVED, that subject to approval by the Board's Legal Counsel and subject to staff audit, the Board approves payment of said fees and expenses:

Yeas: Trustees Clark, Cockrel, Cook, Glaser, Ngare and Chairperson Fischer - 6

Nays: None

GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT

LIST OF DISBURSEMENTS FOR BOARD APPROVAL FOR MAY 6, 2009

PAYEE INVOICE DATE DESCRIPTION AMOUNT

CAPITAL CALLS:

6200 Second Ave. Lofts Loan (CAP) 04/30/09 Remaining=\$486,626.27 \$ 8,363.12

MANAGEMENT FEES:

Aberdeen	(04/20/09)	Management Fee 1 st Quarter 2009	\$125,030.94
Aronson & Johnson & Ortiz	(03/31/09)	Management Fee 1 st Quarter 2009	\$ 36,960.00
Atlanta Capital	(04/20/09)	Management Fee 1 st Quarter 2009	\$ 45,834.00
Cooke & Bieler	(04/23/09)	Management Fee 1 st Quarter 2009	\$ 31,273.20
Deroy & Devereaux	(04/21/09)	Management Fee 1 st Quarter 2009	\$ 7,968.00
Earnest Partners	(04/20/09)	Management Fee 1 st Quarter 2009	\$ 41,212.18
Energy Oppt's Capt'l Mgmt	(04/16/09)	Management Fee 1 st Quarter 2009	\$ 34,943.39
Globalt	(04/12/09)	Management Fee 1 st Quarter 2009	\$ 56,872.38
Intech	(04/09/09)	Management Fee 1 st Quarter 2009	\$ 55,237.66
Legg Mason	(03/31/09)	Management Fee 1 st Quarter 2009	\$ 60,071.80
Mesirow	(04/17/09)	Management Fee 1 st Quarter 2009	\$196,875.00
Palisades	(04/13/09)	Management Fee 1 st Quarter 2009	\$ 29,867.68
Pyramis Global	(04/08/09)	Management Fee 1 st Quarter 2009	\$ 33,714.00
Rhumblin – Lehman	(04/07/09)	Management Fee 1 st Quarter Index Fund L811	\$ 1,858.27
Rhumblin – Lehman	(04/07/09)	Management Fee 1 st Quarter Index Fund L850	\$ 4,135.54
Rhumblin – Lehman	(04/07/09)	Management Fee 1 st Quarter Index Fund L860	\$ 732.65
Salus Capital	(01/31/09)	Management Fees 4 th Quarter 2008	\$ 47,873.00

MANAGEMENT FEES (CON'T):

Salus Capital	(04/23/09)	Management Fee 1 st Quarter 2009	\$ 47,578.00
Seizert Capital Management	(04/22/09)	Management Fee 1 st Quarter 2009	\$ 33,864.00
Transamerica	(04/02/09)	Management Fee 1 st Quarter 2009	\$ 21,134.50
Union Heritage	(04/16/09)	Management Fee 1 st Quarter 2009	\$ 21,711.50

LEGAL FEES:

Genovese Joblove & Battista, PA	(04/21/09)	Tradwinds Bankruptcy Counsel	\$ 1,409.94
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OTHER EXPENSES:

ADP	(04/21/09)	Payroll Services	\$ 99.10
ADP	(05/01/09)	Advice of Debit Payroll Services	\$ 40.64
Business Week	(03/31/09)	Subscription	\$ 30.00
G. Fischer	(04/30/09)	Trustee April Stipend	\$ 1,000.00
Sunbelt Software Distribution Inc	(04/21/09)	Software	\$ 236.25
W. Anthony	(04/30/09)	Trustee April Stipend	\$ 1,000.00
Wall Street Journal	(03/31/09)	Subscription Renewal	\$ 174.50

Total Disbursements for Board Approval **\$ 946,101.24**

EMPLOYEE LOAN PROGRAM

Mr. John Riehl, President of A.F.S.C.M.E. Local 207, submitted a letter to the Law Offices of Lawrence R. Walker in c/o Mr. Myron Terrell, regarding the Employee Loan Program followed by several questions to be answered.

It was suggested that someone from the Board will speak with A.F.S.C.M.E. and a copy of the letter to be forwarded to First Independence Bank.

*This topic will be brought back to the table on May 13, 2009.

LEGAL COUNSEL'S REPORT:

RE: MS. COLETTA ESTES PURPORTED CLASS ACTION LITIGATION

By Trustee Glaser/Supported by Trustee Cockrel

WHEREAS, Special Counsel Joseph E. Turner of Clark Hill, PLC, advised the Board of Trustees of the General Retirement System of the City of Detroit that the Board, certain current and former trustees and a Board business advisor were named as defendants in a recently filed case entitled COLETTA ESTES vs. DAVID CLARK, CEDRIC COOK, SUSAN GLASER, SHEILA KNEESHAW, STEPHANIE MILLEDGE, TIMOTHY NGARE, SHEILA COCKREL, GERALD FISCHER, RONALD GRACIA, WENDALL ANTHONY, KENNETH V. COCKREL, JR., KATHLEEN LEAVY, JEFFREY BEEASLEY, DAVID CLARK, KWAME M. KILPATRICK, MONICA CONYERS, DEDAN MILTON, ADRIAN ANDERSON and NORTH POINT ADVISORS, LLC, Case No. 09-010080-NZ filed in the Wayne County Circuit Court in Detroit, Michigan and provided the Board a copy of the complaint, and

WHEREAS, the complaint alleges, inter alia, violation of PERSIA, MCL 38.1132, and

WHEREAS, the General Counsel has recommended assigning this case to Special Legal Counsel for representation of the current and former trustees, and

WHEREAS, the Board has considered this matter in open session, and
THEREFORE BE IT

RESOLVED, the Board hereby approves the assignment of the above-referenced case to Joseph E. Turner of Clark Hill PLC as Special Legal Counsel to coordinate with the Retirement System's general counsel regarding the defense of this litigation, and

RE: MS. COLETTA ESTES PURPORTED CLASS ACTION LITIGATION (con't)

RESOLVED, that a copy of this resolution be forwarded to the Board's Special Legal Counsel.

Yeas: Trustees Clark, Cockrel, Cook, Glaser, Ngare and Chairperson Fischer - 6

Nays: None

◀ TRUSTEE WENDELL ANTHONY JOINED THE MEETING AT 10:00 A.M.

RE: ARTIO GLOBAL MANAGEMENT LLC

BY TRUSTEE GLASER/SUPPORTED BY TRUSTEE CLARK

WHEREAS, the Board of Trustees has selected Artio Global Management LLC (the "Manager") as a Commingled Fund portfolio manager subject to approval of documentation the Retirement Systems general counsel, and

WHEREAS, the proposed Investment Management Agreement was approved by NEPC, the Board's consultant, and

WHEREAS, the Manager has signed and submitted (i) the Proposed Investment Management Agreement which was prepared by Clark Hill, PLC (Special Counsel), and approved by General Counsel and (ii) the Letter of Understanding, and

WHEREAS, the Board has considered this matter, and THEREFORE BE IT

RESOLVED, the Board hereby approves two authorized signatories, on behalf of the Retirement System to sign the Proposed Investment Management Agreement and Letter of Understanding, and be it further

RESOLVED, that a fully executed original of the documents be distributed to the Assistant Executive Secretary and the Manager, and copies maintained by the Retirement System, and further be it

RESOLVED, that a copy of this resolution be forwarded to the Manager, NEPC and Special Counsel.

Artio Global Management
c/o Brigid Flanagan
330 Madison Avenue
New York, NY 10017

RE: ARTIO GLOBAL MANAGEMENT LLC

New England Pension Consultants
c/o Doris Ewing/Catherine Konicki
300 River Place, Ste. 5000
Detroit, MI 48207

Yeas: Trustees Anthony, Clark, Cook, Glaser, Ngare and Chairperson Fischer - 6

Nays: Trustee Cockrel - 1

ENTRY IN MINUTES

RE: STATE TREASURER V. DONALD C. RICHARDSON
WAYNE COUNTY CASE NO. 09-008457

The Retirement System's general counsel reported to the Board receipt of (1) transmittal letter dated April 17, 2009 by Assistant Attorney General, (2) Ex Parte Order to Show Cause and Order appointing receiver dated April 9, 2009, (3) Consultant dated April 9, 2009, and (4) Ex-Parte Motion for Order to Show Cause and Order appointing receiver. General Counsel indicated he would monitor said litigation and take appropriate action to protect the interest of the Retirement System.

RE: 1998 DEFINED CONTRIBUTION PLAN

By Trustee Glaser/Supported by Cockrel

RESOLVED, THAT THE 1998 DEFINED CONTRIBUTION PLAN BY MEMBERS OF THE **GENERAL RETIREMENT SYSTEM** OF THE CITY OF DETROIT, AS SET FORTH ON LIST **#8049**, IN THE AMOUNT OF **\$460,884.90**, INCLUDING INTEREST, BE REFUNDED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

Yeas: Trustees Anthony, Clark, Cockrel, Cook, Glaser, Ngare and Vice Chairperson Fischer – 7

Nays: None

ADJOURNMENT

THERE BEING NO FURTHER BUSINESS BEFORE THE BOARD, **VICE-CHAIRPERSON FISCHER**, ADJOURNED THE MEETING AT **11:10 A.M.** UNTIL WEDNESDAY, MAY 13, 2009 AT 9:00 A.M. IN ROOM 910 OF THE COLEMAN A. YOUNG MUNICIPAL CENTER, DETROIT, MICHIGAN 48226.

RESPECTFULLY SUBMITTED,

MYRON T. TERRELL
ASSISTANT EXECUTIVE SECRETARY