

MEETING NO. **3830**
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM
HELD WEDNESDAY, **JANUARY 20, 2010**
9:00 A.M.

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

PRESENT

Wendell Anthony	Trustee
Alvin Brooks	Trustee
David Clark	Trustee
Cedric Cook	Trustee
Susan Glaser	Trustee
Saunteel Jenkins	Ex-Officio Trustee & City Council Member
Cheryl R. Johnson	Ex-Officio Trustee & Treasurer
Sheila Kneeshaw	Trustee & Chairperson

Walter Stampor	Executive Secretary
Myron T. Terrell	Assistant Executive Secretary
Ronald Zajac	Legal Counsel
Richard Huddleston	Investment Analyst
Reginald O'Neal	Medical Director

Rita Coats	Recording Secretary (GRS)
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EXCUSED

None

ABSENT

Ronald Gracia	Trustee & Vice-Chairman
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CHAIRPERSON

SHEILA KNEESHAW

Roll Call was taken at **9:15 a.m.** and Chairperson S. Kneeshaw called the meeting to order.

Re: SERVICE RETIREMENT

By Trustee Glaser – Supported by Trustee Clark

RESOLVED, that the **SERVICE RETIREMENT** applications which are outlined below be hereby APPROVED:

YEAS: Trustee Brooks, Clark, Cook, Glaser, Jenkins, Johnson
and Chairperson S. Kneeshaw – 7

NAYS: None

SERVICE RETIREMENTS

NAME, TITLE, DEPARTMENT	John C. Callaway – Bd Control Station Operator – General Services
SERVICE CREDIT	37-11
EFFECTIVE DATE	11-14-09
NAME, TITLE, DEPARTMENT	Cecilia Castner – Office Management Asst- Exempt – Police (Civilian)
SERVICE CREDIT	18-05
EFFECTIVE DATE	11-04-09
NAME, TITLE, DEPARTMENT	Alford W. Dennies – Construction Equipment Operator - Transportation
SERVICE CREDIT	30-0
EFFECTIVE DATE	12-02-09
NAME, TITLE, DEPARTMENT	Audrey P. Jackson – Deputy Finance Director - Finance
SERVICE CREDIT	30-0
EFFECTIVE DATE	11-19-09
NAME, TITLE, DEPARTMENT	Carolyn J. Lamb – Clerk – Building & Safety
SERVICE CREDIT	30-0
EFFECTIVE DATE	12-07-09

SERVICE RETIREMENTS – (continued)

NAME, TITLE, DEPARTMENT	Paul Mason, Jr. – Park Maintenance Supervisor Grade II – General Services
SERVICE CREDIT	33-0
EFFECTIVE DATE	12-01-09
NAME, TITLE, DEPARTMENT	Lawrence E. Murray – Wastewater Treatment Plant Tech – Water & Sewerage
SERVICE CREDIT	18-06
EFFECTIVE DATE	12-14-09
NAME, TITLE, DEPARTMENT	Richard Shovein – Plant Maint Foreman - Water & Sewerage
SERVICE CREDIT	30-01
EFFECTIVE DATE	11-25-09
NAME, TITLE, DEPARTMENT	John W. Strolger – Rec Facilities Oper – General Services
SERVICE CREDIT	32-02
EFFECTIVE DATE	11-19-09
NAME, TITLE, DEPARTMENT	Sheraldine Walton – Principal Clerk - Health
SERVICE CREDIT	32-01
EFFECTIVE DATE	12-09-09
NAME, TITLE, DEPARTMENT	Walter E. Williams – TEO - Transportation
SERVICE CREDIT	30-04
EFFECTIVE DATE	11-20-09

Re: VESTED RETIREMENT

By Trustee Glaser – Supported by Trustee Clark

RESOLVED, that the **VESTED RETIREMENT** applications which are outlined below be hereby APPROVED:

YEAS: Trustee Brooks, Clark, Cook, Glaser, Jenkins, Johnson
and Chairperson S. Kneeshaw – 7

NAYS: None

VESTED RETIREMENTS – (Continued)

NAME, TITLE, DEPARTMENT Willie J. Lewis – TEO - Transportation
SERVICE CREDIT 12-11
EFFECTIVE DATE 11-01-04

NAME, TITLE, DEPARTMENT Charles A. Perry – Sr. Asst Electrical
Engineer – Water & Sewerage
SERVICE CREDIT 06-08
EFFECTIVE DATE 12-01-09

CONFIRMATIONS

By Trustee Glaser – Supported by Trustee Cook

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 01/11/10 THRU 01/15/10			
REMITTOR / PAYEE NAME	DATE REC'D	DESCRIPTION	AMOUNT
RECEIPTS			
Airport	01/15/10	Pension Contribution	\$ 7,182.23
Capozzoli Advisors	01/13/10	Remittance- 12.09	437,758.10
Court Square Capital Partners, LP	01/14/10	Distribution	120,673.00
Fort Shelby Hotel, LLC (Banyan)	01/15/10	Remittance- 07.09	200,000.00
General Fund	01/15/10	Pension Contribution	865,605.27
HRJ Legends Multi-Strategy Fund, LTD	01/15/10	Liquidation Proceeds	610,449.78
Inland American Real Estate Trust, Inc.	01/12/10	Remittance- 12.09	66,532.29
Jefferson Union Solar Project (Churchill)	01/11/10	Remittance- 12.09	31,676.66
Lightstone Value Plus REIT, Inc.	01/14/10	Remittance- 4th Quarter 2009	191,739.13
SAS Equity REIT (prev. Midland Multi-Family REIT)	01/15/10	Distribution- 4th Quarter 2009	350,000.00
SAS Mortgage Trust (prev. MRC Mortgage Investment Trust)	01/15/10	Distribution- 4th Quarter 2009	366,250.00
The City of Detroit	01/15/10	Annuity Contribution	395,211.10
W&D Balanced Real Estate Fund I	01/15/10	Distribution- 4th Quarter 2009	82,050.00
		TOTAL RECEIPTS	\$ 3,725,127.56
DISBURSEMENTS			
Banyan Realty Advisors	01/15/10	Fees- 4th Quarter 2009	\$ (13,988.78)
Capozzoli Advisors	01/15/10	Fees- 01.10	(76,439.00)
First Independence Bank	01/12/10	Checkwrite	(141,636.61)
Milestone Realty Services, Inc.	01/12/10	7850 E. Jefferson- 2009 Winter Taxes	(2,882.23)
		TOTAL DISBURSEMENTS	\$ (234,946.62)

YEAS: Trustee Brooks, Clark, Cook, Glaser, Jenkins, Johnson
and Chairperson S. Kneeshaw – 7

NAYS: None

REFUNDS OF ACCUMULATED CONTRIBUTIONS
LIST NO. 6940 – AMOUNT: \$1,860,045.91

By Trustee Glaser – Supported by Trustee Brooks

RESOLVED, that the contributions to the Annuity Savings Fund by members of the General Retirement System, as set forth on List No. 6916 in the amount of \$1,860,045.91, including interest, be REFUNDED, pending audit by the Retirement Systems' Accounting Staff as reflected.

YEAS: Trustees Brooks, Clark, Cook, Glaser, Jenkins, Johnson
and Chairperson S. Kneeshaw - 7

NAYS: None

EXECUTIVE SECRETARY'S REPORT

Re: Disbursements

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 legal counsel and subject to staff audit, the Board approves payments of said fees and expenses:

MANAGEMENT FEES: Audited Fees

Pardigm Asset Management – Management Fee 4th Quarter 2009 - \$21,556.56

Palasades Partners – Management Fee 4th Quarter 2009 - \$40,079.52

LEGAL FEES:

Clark Hill 10/19/09 – Services Rendered Miscellaneous - \$2,168.96

F. Logan 01/11/10 Legal Services – PFRS/GRS Jefferson Ave Corp. - \$3,003.75

R. Zajac 01/20/09 Legal Services – January 2010 - \$17,734.73

Re: Disbursements – (continued)

OTHER EXPENSES: Audited Fees

Advantage Laser Products – 01/06/10 – Office Supplies \$58.00
G. Housey Co. LLC – 11/30/09 – Lawn Maintenance 7850 E. Jefferson \$460.00
Gabriel Roeder Smith – 01/11/10 – Actuarial Services – January 2010 - \$6,400.00
Hartford Financial – 01/05/10 – Financial Audit Invoice - \$55.00
Iron Mountian – 12/31/09 – Record Storage - \$903.46
Office Depot – 01/06/10 – Office Supplies - \$259.92
U.S. Diary – 01/14/09 – Office Supplies - \$78.49
Wycom – 01/06/10 – Office PayrollSupplies - \$20.50

Total Invoice Disbursements for Board Approval \$92,778.89

YEAS: Trustee Brooks, Clark, Cook, Glaser, Jenkins, Johnson
and Chairperson S. Kneeshaw – 7

NAYS: None

Re: Townsend

Townsend is requesting to meet with the Board of Trustees next week to discuss the liquidity.

➤ **DIRECTION OF THE CHAIR**

It is directed by the Chair to have staff schedule Townsend to meet with the Board next week at 10:00 a.m.

- ❖ *Trustee **Anthony** joined the meeting at 9:30 a.m.*
- ❖ *Trustee **Johnson** stepped away from the meeting at 9:30 a.m.*
- ❖ *Trustee **Clark** stepped away from the meeting at 9:35 a.m.*

Re: Annuity Loan Program

By Trustee Glaser – Supported by Trustee Brooks

RESOLVED, that the disbursements for the Annuity Loan Program in the amount of \$12,290,404.00 be hereby APPROVED.

Yeas: Trustee Anthony, Brooks, Cook, Glaser, and Chairperson S. Kneeshaw – 5

Nays: None

ES REPORT – (CONTINUES)

Re: Annuity Loan Program – (continued)

- 2 Criteria in considering the loan:
 1. Base salary of net income (Deductions)
 2. Amount in Annuity

Re: MuniMae

The Board of Trustees received a copy of a letter dated January 11, 2010, requesting to extend the letter of credit issued to Merrill Lynch for the Russell 150 project.

Re: RREEF Annual Conference

Resolved, that the Board approve the attendance of all Trustees, the Executive Secretary, the Assistant Executive Secretary and General Counsel at the below-referenced conference, and further

Resolved, that the Board approve expenditures for all Trustees, the Executive Secretary, the Assistant Executive Secretary and General Counsel to attend the RREEF – (Americas Real Estate Fund) Annual Meeting scheduled for March 17 – 18, 2010, held in San Francisco, California.

Re: Trustee Election (Active)

By Trustee Anthony – Supported by Trustee Glaser

RESOLVED, that the letter of Intent to Run for Re-election by Trustee Cedric Cook dated January 20, 2010, for the position of Trustee for the General Retirement System for the term beginning July 1, 2010 through June 30, 2016, is hereby APPROVED.

Yeas: Trustee Anthony, Brooks, Cook, Glaser and Chairperson S. Kneeshaw – 5

Nays: None

The Executive Secretary Concludes its' Report.

LEGAL COUNSEL'S REPORTS/ CORRESPONDENCE

Legal Counsel, in addition to matters referred to separately in these minutes, reported regarding the status of the items reflected below and on the following pages:

Re: MMA Letter of Credit

By Trustee Anthony – Supported by Trustee Brooks

WHEREAS, the General Retirement System of the City of Detroit (GRS) has issued a \$10 million letter of credit (the "LOC") to credit enhance the Russell Special Assessment bonds generally known as the "Russell 150 Bonds" under the MRC Tax Exempt TOB Program for the benefit of Merrill Lynch as the holder of the Russell 150 Bonds, and

WHEREAS, in addition GRS has posted \$10.5 million of liquid collateral in support of the LOC (the "Collateral"), and

WHEREAS, the Collateral is currently managed by TransAmerica in account 109973 at BNY Mellon, master securities custodian of the Retirement System, and

WHEREAS, any draw under the LOC is to be reimbursed under a Reimbursement Agreement which sponsored and guaranteed by Municipal Mortgage & Equity, LLC ("MuniMae"), and

WHEREAS, MuniMae has requested that GRS extend the LOC for one year until February 26, 2011 and continue to pledge the Collateral in support of the LOC, and

WHEREAS, as consideration for such extension of the LOC and the continued pledge of the Collateral, MuniMae will pay GRS the sum of:

(1) 350 basis points per annum calculated on the gross notional amount of the LOC payable in advance, plus

(2) The difference between the (a) Prime Rate published in the Wall Street Journal plus 2% and (b) any earnings accruing to GRS as to the collateral payable monthly, plus

(3) An amount equal to the difference between (a) 10% of the gross notional amount of the LOC and the (b) sum of (1) and (2) above payable on the expiration of the LOC extension

Re: MMA Letter of Credit – (continued)

collectively the “Extension Compensation,” therefore be it

RESOLVED, that the extension of the LOC from February 26, 2010 until February 26, 2011 is hereby approved subject to the payments of the amounts indicated above and subject to all transaction costs and legal costs inclusive of cost of the Retirement System’s special legal counsel being paid by MMA, and be it further

RESOLVED, that the continued pledge of the Collateral is hereby approved, and be it further

RESOLVED, that TransAmerica continue to manage the Collateral in account 109973, and be it further

RESOLVED, that staff be directed to take the appropriate actions to acquire and deliver the collateral to Merrill Lynch as may be required by Merrill Lynch, and be it further

RESOLVED, that all of the foregoing is explicitly subject to the execution of documentation acceptable to the Board and General Counsel, and be it further

RESOLVED, that a copy of this resolution be provided to MuniMae, Merrill Lynch, TransAmerica, BNY Mellon and Special Legal Counsel F. Logan Davidson.

Yeas: Trustee Anthony, Brooks, Cook, Glaser and Chairperson S. Kneeshaw - 5

Nays: None

❖ *The Board recessed for a twenty-minute break at 9:50 a.m. and resumed back on the record at 10:10 a.m.*

CLOSED SESSION:

By Trustee Gracia - Supported by Trustee Anthony

WHEREAS, The Board's Medical Director is now before the Board of Trustees of the General Retirement System of the City of Detroit to discuss the medical and psychiatric reports of individuals who have applied for disability retirement and the medical and psychiatric reports of individuals who have received re-examinations; therefore be it

RESOLVED, that the Board entered into Closed Session at 10:10 a.m.

A Roll Call vote was taken as follows: Trustee Anthony, Brooks, Cook, Glaser and Chairperson S. Kneeshaw – 5

Nays: None

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

OPEN SESSION:

By Trustee Glaser - Supported by Trustee Brooks

Resolved, that the Board returned to Open Session: 10:35 a.m.

A Roll Call vote was taken as follows: Trustee Anthony, Brooks, Cook, Glaser and Chairperson S. Kneeshaw – 5

Nays: None

The Board returned to Open Session at 10:35 a.m. and the Board's Medical Director was excused for the remainder of the meeting.

INITIAL DISABILITIES

EMPLOYEE'S INFORMATION	APPROVE	DENY	TABLE
<p>Name Howard, Peggy Title Assistant Storekeeper Department Water & Sewerage Dept. Pension # 212583 Last 4 of Social 5558 Age at Application 58 years, 5 months Disability Type Non-Duty Service Credit 16-04 Effective Date 04/05/2009 Conversion Data 05/22/2011 Date of Application 10/05/2009 Date of Disability 12/11/2008 Workers' Comp No Workers Comp</p>	<p>X</p>		
<p>Name Moon, Mary D. Title Service Guard Department General Services/Recreation Pension # 214436 Last 4 of Social 8536 Age at Application 54 years, 5 months Disability Type Non-Duty Service Credit 19-09 Effective Date 06/02/2009 Conversion Data 07/20/2015 Date of Application 12/02/2009 Date of Disability 05/15/2009 Workers' Comp. No Workers Comp</p>	<p>X</p>		

<p>Name Williams Jr., Johnney Lee Title Supt. St Lgt Mt Construction Department Public Lightning Dept. Pension # 225225 Last 4 of Social 3862 Age at Application 55 years, 7 month Disability Type Non-Duty Service Credit 16-04 Effective Date 01/22/10 Conversion Data 02/24/2014 Date of Application 09/14/2009 Date of Disability 08/13/2008 Workers' Comp. No Workers Comp</p>	X		
<p>Name Woodard, Sharon S. Title Sr. Public Health Nurse Department Health Department Pension # 250343 Last 4 of Social 5804 Age at Application 54 years, 11 months Disability Type Non-Duty Service Credit 12-08 Effective Date 11/19/2009 Conversion Data 11/15/2014 Date of Application 10/13/2009 Date of Disability 06/26/2009 Workers' Comp. No Workers Comp</p>	X		

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

INITIAL DISABILITIES

Re: Peggy Howard – No. 212583 – Non-Duty

By Trustee Glaser – Supported By Trustee Anthony

RESOLVED, that the report of the Medical Director on the case of Peggy Howard be APPROVED, and

Re: Peggy Howard – (Continued)

RESOLVED, that based on the recommendation of the Medical Director the Board APPROVES the application for a Non-Duty Disability Retirement filed by Ms. Howard.

Yeas: Trustee Anthony, Brooks, Cook, Glaser and Chairperson S. Kneeshaw – 5

Nays: None

Re: Mary Moon – No. 214436 – Non-Duty

By: Trustee Glaser - Supported By Trustee Brooks

RESOLVED, that the report of the Medical Director on the case of Mary Moon, be APPROVED, and

RESOLVED, that based on the recommendation of the Medical Director the Board APPROVES the application for a Non-Duty Disability Retirement filed by Ms. Moon.

Yeas: Trustee Anthony, Brooks, Cook, Glaser and Chairperson S. Kneeshaw – 5

Nays: None

Re: Johnney Lee Williams, Jr. – No.225225 – Non-Duty

By Trustee Glaser - Supported By Trustee Anthony

RESOLVED, that the report of the Medical Director on the case of Mr. Williams be ACCEPTED, and

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

Yeas: Trustee Anthony, Brooks, Cook, Glaser and Chairperson S. Kneeshaw – 5

Nays: None

Re: Sharon Woodard – No. 250343 – Non-Duty

By Trustee Glaser - Supported By Trustee Brooks

RESOLVED, that the report of the Medical Director on the case of Sharon Woodard, be APPROVED, and

RESOLVED, that based on the recommendation of the Medical Director the Board APPROVES the application for a Non-Duty Disability Retirement filed by Ms. Woodard.

Yeas: Trustee Anthony, Brooks, Cook, Glaser and Chairperson S. Kneeshaw – 5

Nays: None

ANNUAL RE-EXAMINATIONS

By Trustee Anthony - Supported By Trustee Glaser

RESOLVED, that in accordance with the recommendation of the Medical Director, the following is CONTINUED on the Disability Retirement Payroll with an examination in one (1) year:

Anderson, Terry
Boyd, Godiva
Carmical, Cordia
Jemison, Gary Sol
Lewis, Robert
Redmond, Kevin
Smith, Norris
Taylor, Stephanie
Weatherby, Gail
Williams, Gerard

and be it further,

ANNUAL RE-EXAMINATIONS – (continued)

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

Parnell, Joanne
Redmond, Kevin

Yeas: Trustee Anthony, Brooks, Cook, Glaser and Chairperson S. Kneeshaw – 5

Nays: None

❖ *The Board recessed for a break period at 10:40 a.m. and resumed back on the record at 11:07a.m.*

LEGAL COUNSEL REPORTS – (CONTINUED)

Re: Asian Village Detroit, Inc.: Application to Michigan Liquor Control Commission for
Transfer of Liquor Licenses

By Trustee Anthony – Supported by Trustee Brooks

WHEREAS, in connection with the loan to Asian Village Detroit, Inc. (the "Borrower") the Board was granted a security interest in all of the personal property of the Borrower, including the Class C and SDM Liquor Control Commission (the "Commission"), and

WHEREAS, the Borrower defaulted on the loan, and as a result pursuant to Article 9 of the Michigan Uniform Commercial Code the Board has foreclosed the Borrower's interest in all the personal property other than the Liquor Licenses, and

WHEREAS, the Board has also obtained a judgment in the Wayne County Circuit Court against the Borrower where the court awarded the Liquor Licenses to the Retirement System, and

WHEREAS, as a condition to the Commission approving the transfer of the Liquor Licenses to the Retirement System, the Commission requires that the Retirement System submit an application to the Commission for the transfer of the ownership in the Liquor Licenses, and

WHEREAS, the Board has discussed this matter and has determined that it is in the best interest of the Retirement System to submit the required application to the Commission, therefore be it

RESOLVED, that the Retirement System submit the required application to the Commission for approval of the transfer of the ownership in the Liquor Licenses to the Retirement System, and be it further

RESOLVED, that said document be executed by two authorized signatories on behalf of the Board.

Yeas: Trustee Anthony, Brooks, Cook, Glaser and Chairperson S. Kneeshaw – 5

Nays: None

Re: \$10,000,000.00 Letter of Credit from the General Retirement System of the City of Detroit to Merrill Lynch Capital Services, Inc. (Russell 150)

By Trustee Glaser – Supported by Trustee Anthony

WHEREAS, the General Retirement System of the City of Detroit (“GRS”) has issued a \$10 million letter of credit (the “LOC”) to credit enhance the Russell Special Assessment bonds generally known as the “Russell 150 Bonds” under the MRC Tax Exempt TOB Program for the benefit of Merrill Lynch as the holder of the Russell 150 Bonds, and

WHEREAS, in addition, GRS has posted \$10.5 Million of liquid collateral in support of the LOC (the “Collateral”), and

WHEREAS, any draw under the LOC is to be reimbursed under a Reimbursement Agreement which is sponsored and guaranteed by Municipal Mortgage & Equity, LLC (“MuniMae”); and

WHEREAS, the LOC will expire on February 26, 2010, and

WHEREAS, MuniMae has requested that GRS extend the LOC for one year until February 26, 2011 and continue to pledge the Collateral in support of the LOC, and

WHEREAS, in exchange for such extension of the LOC and the continued pledging of the Collateral, MuniMae will pay GRS (i) 350 bps per annum calculated on the LOC amount, payable in advance and (ii) accrued interest payable on a monthly basis on the Collateral, accruing at the published Prime Rate selected by MuniMae plus 2% (minus any earnings paid to GRS as to the Collateral (collectively, the “Extension Compensation”), and

WHEREAS, the Board deems under all circumstances that it is in the best interest of GRS that it approve the extension of the LOC, the continued pledging of the Collateral and the Extension Compensation as set forth below;

NOW, THEREFORE, IT IS RESOLVED, that GRS approves (i) the extension of the LOC from February 26, 2010 until February 26, 2011, (ii) the continued pledging of the Collateral and (iii) payment of an approved Extension Compensation providing for a minimum return of ten (10%) percent inclusive of the 350 bps, and

FURTHER RESOLVED, that the Board of Trustees of GRS, by any two individuals, is authorized to execute all instruments in connection with the actions authorized hereunder; and

Re: \$10,000,000.00 Letter of Credit from the General Retirement System of the City of Detroit to Merrill Lynch Capital Services, Inc. (Russell 150) – (continued)

FURTHER RESOLVED, that a copy of this resolution be forwarded to MuniMae and Merrill Lynch.

Yeas: Trustee Anthony, Brooks, Cook, Glaser and Chairperson S. Kneeshaw – 5

Nays: None

Re: International Rectifier Securities Litigation

By Trustee Anthony – Supported by Trustee Glaser

WHEREAS, the Board of Trustees is in receipt of a letter from its class action securities special legal counsel dated January 20, 2010, requesting attendance of representatives of the Retirement System (Lead Plaintiff) at the February 8, 2010 Hearing re: Plaintiffs' Motion for Final Approval of Settlement releasing the agreeable \$90,000,000.00 settlement; therefore be it

RESOLVED, that attendance at the February 8, 2010 court hearing by general counsel and two trustees are approved, and further

RESOLVED, that a copy of this resolution be forwarded to special legal counsel, Attn: Blair A. Nicholas.

Yeas: Trustee Anthony, Brooks, Cook, Glaser and Chairperson S. Kneeshaw – 5

Nays: None

Re: ICG – General Motors Leaseback: Appointment of Real Estate
Advisor to Monitor Loan

By Trustee Anthony – Supported by Trustee Glaser

WHEREAS, the Board has previously made a loan to and ICG-REA Manager, LLC in connection with the captioned project, and

WHEREAS, due to General Motors filing for bankruptcy protection in June of 2009, the Borrower had requested the Board agree to modify certain provisions of the loan documents, and

WHEREAS, in connection with the requested modification, the Board had requested Banyan Realty Advisors, LLC, (“Banyan”) to perform due diligence and analysis activities and report its findings and recommendations to the Board, and

WHEREAS, after the Board had received the report from Banyan the Board entered into a First Amendment to Loan Documents dated as of July 2, 2009, and

WHEREAS, the Board is generally aware of the loan payment history from the Board's accounting staff, and

WHEREAS, the Board wishes to assure that all loan provisions applicable to the Borrower are being performed as required by the loan documents, and

WHEREAS, the Board has determined that Banyan should be appointed to perform monitoring and loan servicing activities in connection with this loan, THEREFORE BE IT

RESOLVED, the Board hereby approves Banyan Realty Advisors, LLC to perform monitoring and loan servicing activities in connection with this loan, and be it further

Re: ICG – General Motors Leaseback: Appointment of Real Estate
Advisor to Monitor Loan – (continued)

RESOLVED, that compensation to Banyan be consistent with the Retirement System Actuary Agreement with Banyan or otherwise mutually agreed between the parties; and be it further

RESOLVED, that ICG-REA Manager, LLC and Inheritance Capital Group, LLC, as applicable, be directed to fully cooperate with Banyan and provide Banyan with copies of all reports, distribution notices and correspondence it provides to the Board, and be it further

RESOLVED, that a copy of this resolution be forwarded to the Borrower, ICG-REA Manager, LLC, c/o ICG Real Estate Advisors, LLC, 25900 W. 11 Mile Road, Suite 260; Southfield, Michigan 48034, Banyan Realty Advisors, LLC and to F. Logan Davidson, P.C.

Yeas: Trustees Anthony, Brooks, Cook, Glaser
and Chairperson S. Kneeshaw – 5

Nays: None

- ❖ *The Board recessed for a break period at 11:30 a.m. which carried over to a Lunch period at 11:40 a.m.*
- ❖ *Trustee **Johnson** rejoined the meeting at 11:30 a.m.*
- ❖ *Trustee **Clark** rejoined the meeting at 11:31 a.m.*
- ❖ *The Board resumed back on the record at 12:36 p.m.*
- ❖ *Trustee **Jenkins** joined the meeting at 12:50 p.m.*

PRESENTATION:

Plante Moran

Representatives from Plante Moran appeared before the Board to discuss the following:

1. Financial/Audit Reports
2. Alternative Investments – as of June 30th, \$1.9 million funded
3. Management Discussion/Analysis
4. Statement of Assets (Net)
5. Income: Contributions - Market (Loss) = total assets
6. GRS need a tracking system on a monthly basis on general ledger and not just on an annual basis.
7. SAS – 70 Report (Can benefit in the future)

Plante Moran concludes its presentation

CLOSED SESSION

By Trustee Jenkins – Supported by Trustee Anthony

Resolved, that the Board enter into **Closed Session** for the purpose of discussing matters involving employee/management:

A Roll Call Vote was taken as follows: Trustee Anthony – Y, Brooks – Y, Clark – Y, Cook – Y, Glaser – Y, Jenkins – Y, Johnson – Y and Chairperson S. Kneeshaw – Y = 8

Nays: None

The Board entered into **Closed Session** at 1:13 p.m.

OPEN SESSION

By Trustee Anthony – Supported by Trustee Jenkins

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

A Roll Call Vote was taken as follows: Trustee Anthony – Y, Brooks – Y, Clark – Y, Cook – Y, Glaser – Y, Jenkins – Y, Johnson – Y and Chairperson S. Kneeshaw – Y = 8

Nays: None

The Board returned to **Open Session** at 2:10 p.m.

Re: Clark Hill/Onyx

By Trustee Anthony – Supported by Trustee Cook

WHEREAS, the Board of Trustees is in receipt of a copy of an email from Special Counsel (Joe Turner from Clark Hill, LLC) dated January 16, 2010 to the Retirement System, per general counsel, and

WHEREAS, said email identifies a disclosure issue regarding Clark Hill representing Ramsoft/Magna (“Ramsoft”) Companies which may be acquired by Onyx Capital Advisory Fund I, LP, an entity in which GRS, along with PFRS, is the co-primary investor, and

WHEREAS, Clark Hill has indicated that it will withdraw as counsel to Ramsoft unless the Board of Trustees prefer Clark Hill to remain as counsel to Ramsoft in order to expedite the consummation of the possible acquisition, and

WHEREAS, the Board of Trustees has discussed this matter; therefore be it

RESOLVED, that the Board prefers that Clark Hill withdraw as counsel to Ramsoft, and further

RESOLVED, that a copy of this resolution be forwarded to Clark Hill, Attn: Joe Turner.

Yeas: Trustees Anthony, Brooks, Clark, Cook, Glaser, Jenkins, Johnson
and Chairperson S. Kneeshaw – 8

Nays: None

PRESENTATION:

Mesirow Co.

Representative Tom Landis and Gary Klopfenstein appeared before the Board to give an overview of Mesirow Financial portfolio.

1. Mesirow Financial is out of Chicago
2. Investment Process Overview
3. Performance

➤ **DIRECTION OF THE CHAIR:**

It is directed by the Chair to have Roy Dixon, (from Onyx) and special counsel to be scheduled to meet with the Board.

Re: Active Trustee Election 2010 - Amendment

By Trustee Johnson – Supported by Trustee Jenkins

WHEREAS, the Board of Trustees by a majority vote (with not less than five (5) Trustees voting in favor of a finding that a candidate has committed fraud or forgery with respect to the completion or submission of nominating petitions) finds that a candidate committed fraud or forgery with respect to the completion or submission of nominating petitions, such candidates name shall not appear on the ballot and shall not be eligible for election to the position of elected Trustees for a period of ten years, THEREFORE BE IT

RESOLVED, that a copy of this resolution be forwarded to all General Retirement System Board of Trustees and General Counsel.

Yeas: Trustee Anthony, Glaser, Jenkins, Johnson and Chairperson S. Kneeshaw - 5

Nays: Trustee Brooks, Clark, Cook - 3

Re: Trustee Election Rules and Procedures

By Trustee Clark – Supported by Trustee Brooks

WHEREAS, from time to time, the Board amends its policies for various reasons, and

WHEREAS, the existing General Retirement System of the City of Detroit Rules and Regulations governing election of trustees of the Retirement System require incumbent trustees to obtain signed petitions for re-election to the position of an active employee or retiree trustee, and

WHEREAS, the Board deems it appropriate to eliminate the requirement for petitions with respect to an incumbent or retired trustee, therefore be it

RESOLVED, that the requirement for signed petitions are not applicable to incumbent/retired trustees.

Yeas: Trustee Anthony Brook, Clark, Cook, Glaser, Jenkins, Johnson
and Chairperson S. Kneeshaw – 8

Nays: None

Re: Michael Brown – Pension No. 196204
Defined Contribution Plan (Annuity Savings)

By Trustee Clark – Supported by Trustee Brooks

WHEREAS, the Board has been presented with a request from Michael Brown to withdraw a portion of his Annuity Savings, and

WHEREAS, the Retirement Systems' provisions regarding Annuity withdrawals permits for such withdrawals under the following: Service Retirement, Separation from Service, Laid-Off, Death of Employee, Twenty-Five (25) Year Withdrawal, Duty/Non-Duty Disability and Conversion from Disability, and

WHEREAS, Mr. Brown has applied for service retirement with the General Retirement System, per application, dated, effective January 31, 2010 and

WHEREAS, Mr. Brown has attained 25 years of service credit, thereby meeting the provision of the retirement system regarding annuity withdrawals, therefore be it

RESOLVED, that Mr. Brown's request to withdraw his Annuity Savings is hereby APPROVED, and be it further

Re: Michael Brown – Pension No. 196204
Defined Contribution Plan (Annuity Savings) – (Continued)

RESOLVED, that a copy of this resolution be forwarded to Mr. Brown.

Yeas: Trustee Anthony, Brooks, Clark, Cook, Glaser, Jenkins, Johnson
and Chairperson S. Kneeshaw - 8

Nays: None

Re: Detroit Retired City Employees Association Actuarial Study

By Trustee Cook – Supported by Trustee Glaser

WHEREAS, the Board of Trustees received a copy of a letter from the Detroit Retired City Employees Association (DRCEA) dated January 18, 2010, requesting Gabriel Roeder Smith & Company to prepare an actuary report and pay for all costs incurred, hereby approves the request, therefore be it

RESOLVED, that a copy of this resolution be forwarded to the DRCEA and Gabriel Roeder Smith & Company.

Yeas: Trustee Anthony, Brooks, Clark, Cook, Glaser, Jenkins, Johnson
and Chairperson S. Kneeshaw – 8

Nays: None

RE: COMMERCIAL LIABILITY INSURANCE

BY TRUSTEE JOHNSON – SUPPORTED BY TRUSTEE BROOKS

WHEREAS, the General Retirement System of the city of Detroit is a 50% shareholder of the corporation, and

WHEREAS, the Board has been presented with three insurance quotes as provided in the 7850 E. Jefferson Avenue Status Report No. 8, and

WHEREAS, the Board has discussed this matter; therefore be it

RESOLVED, that the Board, as 50% shareholder of the PFRS/GRS Jefferson Avenue Corporation, APPROVES Nickel & Saph, Inc. as the insurance agency for PFRS/GRS Jefferson Avenue Corporation, and be it further

RESOLVED, that a copy of this resolution be forwarded to Milestone Realty Services Inc., the Board of Trustees of the Police and Fire Retirement System of the City of Detroit and the General Retirement System, and the Accounting division of the Retirement System.

Yeas: Trustee Anthony, Brooks, Clark, Cook, Glaser, Jenkins, Johnson
and Chairperson S. Kneeshaw – 8

Nays: None

➤ **DIRECTION OF THE CHAIR**

It is directed by the Chair to have the Assistant Executive Secretary schedule Churchill for an appointment to meet with the Board.

➤ **DIRECTION OF THE CHAIR**

It is directed by the Chair to schedule Schumake to come in next week at 10:45 a.m. to meet with the Board.

➤ **DIRECTION OF THE CHAIR**

It is directed by the Chair to refer Putnam & GMO to NEPC and their due diligence is needed.

ADJOURNMENT

There being no further business before the Board, **Chairperson S. Kneeshaw** adjourned the meeting at **4:00 p.m.** until **Wednesday, January 27, 2010**, at 9:00 a.m. in Room 910 of the Coleman A. Young Municipal Center, Detroit, Michigan 48226.

RESPECTFULLY SUBMITTED,

A handwritten signature in black ink, appearing to read "Myron T. Terrell". The signature is stylized and cursive.

MYRON T. TERRELL
ASSISTANT EXECUTIVE SECRETARY