

MEETING NO. **3842**
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM
HELD WEDNESDAY, **APRIL 14, 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 & Vice Chairperson
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
Rita Coats	Recording Secretary (GRS)

EXCUSED

None

ABSENT

None

CHAIRPERSON

SHEILA KNEESHAW

The Board was called to Roll Call at **9:40 a.m.** with a quorum, 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 Anthony, Brooks, Clark, Cook, Glaser, Johnson
and Chairperson S. Kneeshaw – 7

NAYS: None

SERVICE RETIREMENTS

NAME, TITLE, DEPARTMENT	Denise M. Carter – Sr Data Proc Equip Op – Information Technology Services
SERVICE CREDIT	32-02
EFFECTIVE DATE	02-19-10
NAME, TITLE, DEPARTMENT	Rodolfo Floro – Sr Assoc Civil Engineer-Field - DPW
SERVICE CREDIT	15-11
EFFECTIVE DATE	09-23-09
NAME, TITLE, DEPARTMENT	Debora Holman – Asst Head Sewage Plant Op – Water & Sewerage
SERVICE CREDIT	32-05
EFFECTIVE DATE	02-19-10
NAME, TITLE, DEPARTMENT	Edna Leonard – AA II City Planning Committee – City Council
SERVICE CREDIT	32-06
EFFECTIVE DATE	03-03-10

SERVICE RETIREMENTS - (Continued)

NAME, TITLE, DEPARTMENT	Wilbert Richardson – Street Maint. Sub-Foreman - DPW
SERVICE CREDIT	30-0
EFFECTIVE DATE	04-01-10

NAME, TITLE, DEPARTMENT	Larry Taylor – Vehicle Operator III – Water & Sewerage
SERVICE CREDIT	24-07
EFFECTIVE DATE	02-26-10

VESTED RETIREMENTS

By Trustee Clark – Supported by Trustee Anthony

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

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

NAYS: None

VESTED RETIREMENTS

NAME, TITLE, DEPARTMENT	Tettie C. Hunt – RCPO - DPW
SERVICE CREDIT	06-05
EFFECTIVE DATE	04-01-08

NAME, TITLE, DEPARTMENT	Shahida A. Mausi-Johnson – Ex Asst Mayor II – Mayor's Office
SERVICE CREDIT	13-03
EFFECTIVE DATE	02-01-10

NAME, TITLE, DEPARTMENT	Patricia A. Peddycord – Voucher Audit Clerk – Water & Sewerage
SERVICE CREDIT	08-02
EFFECTIVE DATE	05-01-08

VESTED RETIREMENTS – (Continued)

NAME, TITLE, DEPARTMENT	William E. Sanders – Photo-Pol Invst Sprt – Police (Civilian)
SERVICE CREDIT	10-02
EFFECTIVE DATE	07-01-07

NAME, TITLE, DEPARTMENT	Eli Laurence Thomas – Sewage Plant Operator – Water & Sewerage
SERVICE CREDIT	06-10
EFFECTIVE DATE	03-01-10

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

By Trustee Clark – Supported by Trustee Glaser

RESOLVED, that the **CHANGE OF COMPUTATION FROM NON-DUTY DISABILITY TO SERVICE RETIREMENT** applications which are outlined below be hereby APPROVED:

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

NAYS: None

**CHANGE OF COMPUTATION FROM
NON-DUTY DISABILITY TO
SERVICE RETIREMENT**

NAME, TITLE, DEPARTMENT	Audrey D. Hudson – Sr Emer Serv Op – Police (Civilian)
SERVICE CREDIT	23-09
EFFECTIVE DATE	11-26-09

NAME, TITLE, DEPARTMENT	Cheryl B. Stackhouse – Sr. Water Plant Operator – Water & Sewerage
SERVICE CREDIT	16-04
EFFECTIVE DATE	02-24-10

NAME, TITLE, DEPARTMENT	Joseph H. Venson – Cable Splicer – Public Lighting
SERVICE CREDIT	16-11
EFFECTIVE DATE	01-06-10

Re: CHANGE OF EFFECTIVE DATE

By Trustee Clark – Supported by Trustee Anthony

RESOLVED, that the **CHANGE OF EFFECTIVE DATE** applications which are outlined below be hereby APPROVED:

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

NAYS: None

CHANGE OF EFFECTIVE DATE

NAME, TITLE, DEPARTMENT

Barbara E. Martin – Library Coordinator of
Major Activity Grade I - Library

SERVICE CREDIT

10-01

FROM:

12-20-09

TO:

12-30-09

NAME, TITLE, DEPARTMENT

Frederick M. Rottach – Head Developmt –
Planning & Development

SERVICE CREDIT

40-0

EFFECTIVE DATE

01-23-10

CONFIRMATIONS

By Trustee Clark – Supported by Trustee Glaser

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 04/05/10 THRU 04/09/10			
REMITTOR / PAYEE NAME	DATE REC'D/ PAID	DESCRIPTION	AMOUNT
RECEIPTS			
Behringer Harvard REIT, Inc.	04/07/10	Distribution- 03/10	\$ 28,677.25
Capozzoli Advisors	04/07/10	Remittance- 03/10	149,296.85
Court Square Capital Partners, LP	04/09/10	Distribution	101,282.00
Everest Energy Fund, LLC	04/05/10	Remittance- Interest Payment	65,000.00
First Independence Bank	04/07/10	GRS Loan Program- Expired/ Cancelled Loan Applications	680.64
First Independence Bank	04/09/10	GRS Loan Program- Expired/ Cancelled Loan Applications	27,075.50
General City	04/07/10	Pension Contribution	2,854,834.60
Hines REIT	04/06/10	Distribution- 1st Quarter 2010	156,978.00
MMA Realty Capital, LLC	04/09/10	Russell 150 Remittance- Extension	350,000.00
Police and Fire Retirement System	04/09/10	Staff Wage Reimbursement- 03/10	21,649.08
The City of Detroit	04/09/10	Annuity Contribution	463,290.22
		TOTAL RECEIPTS	\$ 4,218,763.64
DISBURSEMENTS			
Capozzoli Advisors	04/09/10	Fees- 04/10	\$ (73,504.00)
First Independence Bank	04/07/10	Annuity Refunds- List #6950	(4,866,268.67)
First Independence Bank	04/07/10	Checkwrite	(30,704.60)
First Independence Bank	04/09/10	GRS Loan Program- Approved 04/07/10	(353,506.00)
Jefferson Union Solar Project (Churchill)	04/06/10	Draw #7 (1 of 2)	(58,466.07)
Jefferson Union Solar Project (Churchill)	04/06/10	Draw #7 (2 of 2)	(100.00)
US Power Fund III Blocker Fund, LP	04/07/10	Draw #9	(1,170,083.00)
		TOTAL DISBURSEMENTS	\$ (6,552,632.34)

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

NAYS: None

REFUNDS OF ACCUMULATED CONTRIBUTIONS
LIST NO. 6952 – AMOUNT: \$773,154.18

By Trustee Glaser – Supported by Trustee Cook

RESOLVED, that the contributions to the Annuity Savings Fund by members of the General Retirement System, as set forth on List No. 6952 in the amount of **\$773,154.18**, including interest, be REFUNDED, pending audit by the Retirement Systems' Accounting Staff as reflected.

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

NAYS: None

Re: 1973 Defined Contribution Loan Program

By Trustee Clark – Supported by Trustee Glaser

RESOLVED, that the disbursements for the 1973 Defined Contribution Plan by members of the General Retirement System in the amount of **\$1,54,910.00**, be hereby APPROVED.

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

NAYS: None

Re: 1998 Defined Contribution Plan

By Trustee Glaser – Supported by Trustee Clark

RESOLVED, that the disbursements for the 1998 Defined Contribution Plan by members of the General Retirement system in the amount of **\$412,619.79**, be hereby APPROVED.

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

NAYS: None

ASSISTANT EXECUTIVE SECRETARY'S REPORT

CAPITAL CALLS:

Re: Syndicated Communication Venture

By Trustee Glaser – Supported by Trustee Brooks

WHEREAS, the Board has been presented with a communication dated April 6, 2010 and April 8, 2010 from Syndicated Communication Venture wherein a Capital Call request is made in the amount of \$54,461.00 & \$13,615.00; therefore be it

RESOLVED, that subject to final approval of all transaction documents by the Board's Legal Counsel, the Board approves said funding.

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

NAYS: None

Total Capital Call Disbursements for Board Approval: \$68,076.00

Re: Disbursements

By Trustee Glaser - Supported by Trustee Cook

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:

THE GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT
LIST OF DISBURSEMENTS FOR BOARD APPROVAL
FOR APRIL 14, 2010

<u>PAYEE</u>	<u>INVOICE DATE</u>	<u>INVOICE N</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
MANAGEMENT FEES:				
ALPHA PARTNERS, LLC	4/7/2010	2001001	Management Fees-1st Qtr 2010	\$16,435.00
BANK OF NEW YORK MELLON	3/19/2010		Custodial Fee- 4th Qtr 2008	\$78,929.29
BLACKROCK INVESTMENT, LLC	3/25/2010	135556	Management Fees-Period 10/1/09-12/31/09	\$25,052.00
MAYFILED GENTRY	4/9/2010		Asset Management Fees-April 2010	\$8,633.33
PIEDMONT INVESTMENT ADVISORS, LLC	4/7/2010	INV1536	Management Fees-1st Qtr 2010	\$12,481.01
RHUMBLINE ADVISORS	4/7/2010	03312010	Equal Weighted Large Cap Pooled Index Fund L850-1st Qtr 2010	\$5,831.73
	4/7/2010	03312010	S&P 500 Index Fund L811-1st Qtr 2010	\$1,810.04
	4/7/2010	03312010	Lehman Aggregate Fund L860-1st Qtr 2010	\$800.56
Subtotal				\$149,972.96
LEGAL FEES:				
CLARK HILL, P.L.C.	3/26/2010	375241-A	Legal Services-Tradewinds Airlines	\$16,676.63
	3/26/2010	375240-A	Legal Services-PITG Gaming, LLC	\$6,377.39
	3/22/2010	374651	Legal Services-Miscellaneous	\$1,136.00
KLAUSNER & KAUFMAN	3/31/2010	03312010	Legal Services-GRS	\$12,150.00
Subtotal				\$36,340.02
OTHER EXPENSES:				
ADP, INC	4/2/2010	400597131	Check Printing Services	\$99.59
	4/2/2010		Advice of Debit-Check Printing Services	\$54.28
	3/19/2010	400576194	Check Printing Services	\$128.95
GRAPHIC SCIENCES, INC	3/31/2010	0120957-IN	Imaging Services	\$393.50
IRON MOUNTAIN RECORDS MANAGEMENT	3/31/2010	BSD4984	Records Storage	\$895.68
KELLY SERVICES	3/8/2010	09340068	ADMINISTRATION Kelly Services	\$1,040.00
NORTH POINT ADVISORS	3/20/2010	10-05	Investment Consulting Services:Evaluations River Casinos	\$2,625.00
RELIABLE OFFICE SUPPLIES	3/26/2010	YD394100	Office Supplies	\$41.43
	3/26/2010	YD394101	Office Supplies	\$43.02
ZONES	4/1/2010	B12215910101	Computer Supplies	\$173.50
	4/2/2010	B12215910102	Computer Supplies	\$91.00

THE GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT
LIST OF DISBURSEMENTS FOR BOARD APPROVAL
FOR APRIL 14, 2010

<u>PAYEE</u>	<u>INVOICE DATE</u>	<u>INVOICE N</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
	4/1/2010	B12215910103	Computer Supplies	\$58.00
	4/1/2010	B12215910104	Computer Supplies	\$60.00
Subtotal				\$5,703.95
Total Disbursements for Board Approval				\$192,016.93

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

NAYS: None

Re: American Arbitration Association
Certification of Active Employee Election Results

By: Trustee Glaser– Supported By Trustee Clark

RESOLVED, that the Board hereby **APPROVES** the Certification of Election Results for the General Retirement System Of The City Of Detroit Active Employee Trustee Election for a term expiring on June 30, 2016.

Total Number of Ballots Counted:	1,539
Cedric E. Cook	812
Louis Hatty	294
Marilyn R. Berdijo	212
Tasha L. Cowan	205
Blank	3
Void	13

Yeas: Trustee Anthony, Brooks, Clark, Cook, Glaser, Johnson
and Chairperson S. Kneeshaw – 7

Nays: None

Re: Special Election to Fill Vacancy for Active Employee
Term Expiring June 30, 2013

By Trustee Clark – Supported By Trustee Glaser

WHEREAS, **Ronald Gracia** has retired, effective March 25, 2010, whose unexpired term ending **June 30, 2013**, and

WHEREAS, Sec. 47-1-7 of the retirement system provisions provides, inter alia, that “if a vacancy occurs in the office of trustee, the vacancy shall be filled at the next regular election held by the Board, or at any special election ordered by resolution adopted by the Board,” and

WHEREAS, the Board deems it appropriate to have a **Special Election** for the balance of the term expiring **June 30, 2013**, therefore be it

RESOLVED, that a **Special Election** be held consistent with established procedures, and be it further

RESOLVED, that petitions be available **no later** than **April 23, 2010** and be it further

RESOLVED, that contact with the **American Arbitration Association** be initiated to make arrangements regarding this **Special Election**, and be it further

RESOLVED, that the dates applicable to this **Special Election** be as indicated on the attached list.

Yeas: Trustee Anthony, Brooks, Clark, Cook, Glaser, Johnson and
Chairperson S. Kneeshaw – 7

Nays: None

Re: Bob Saks Automotive Group

The Board of Trustees received a letter from the above company requesting \$6 million dollars for a real estate loan, dated March 3, 2010. **By the Direction of the Chair**, a letter was forwarded to Bob Saks of No Interest at this time.

Re: Annuity Loan Program Status – Update

The Board of Trustees was given an update on the annuity loan program dated April 13, 2010. To date, there are a total of 2,656 loans that have been funded over \$20.9 million dollars.

Re: MERS – Municipal Employees’ Retirement System

Each Board Member was provided a Registration Form to attend a Public Funds Roundtable Conference at the Barton Creek Hotel in Austin, Texas, April 21 – 23, 2010 for anyone interested in attending.

Re: The Pros and Cons of Beating on Death

The Board of Trustees received a newspaper article from Wall Street Journal, dated April 12, 2010, regarding purchasing life insurance policy of the risks involved for review.

By the Direction of the Chair, the Board was given notice that Superior Capital will be hosting a Boards Private Equity Funds meeting at the Book Cadillac, Monday, April 19, 2010, at 3:00 p.m. to have a Trustee in attendance.

❖ *Trustee **Saunteel Jenkins** joined the meeting at 10:00 a.m.*

Re: Termination of Elkins McSherry LLC Agreement

By Trustee Clark – Supported by Trustee Glaser

WHEREAS, from time to time, the Board reviews its arrangements with contracting parties, THEREFORE BE IT

RESOLVED, that the Trading Cost Analysis Service's contract is terminated, and further

RESOLVED, that Executive Secretary and Legal Counsel take action to implement this resolution, and further

RESOLVED, that a copy of this resolution be sent to Elkins McSherry LLC.

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

Nays: None

Concludes Assistant Executive Secretary Report

NEW BUSINESS/OPEN DISCUSSION

Re: Update on Conference – UBS Client Conference

Chairperson S. Kneeshaw gave an update on the above conference she attended April 10 – 13, 2010. Chairperson S. Kneeshaw wanted to share with the Board that one of the speakers spoke negatively about Detroit and she defended our City gracefully, and UBS became very apologetic for its speaker and the comments that were made.

Re: Business and Education Travel and Expense Policy

By Trustee Brooks – Supported by Trustee Johnson

WHEREAS, the Board of Trustees adopted the Business and Education Travel and Expense Policy per resolution dated April 7, 2010, and

WHEREAS, the Board although discussed, did not specify the effective date of the policy, and

WHEREAS, the Board deems it appropriate and efficient to adopt an effective date of July 1, 2010 for said policy; THEREFORE BE IT

RESOLVED, that the effective date of the aforesaid policy is July 1, 2010 and the effective date be indicated on said policy, and further

RESOLVED, that a copy of this resolution be forwarded.

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

Nays: None

- ❖ *The Board recessed for a break period at 10:10 a.m. and resumed back on the record at 10:35 a.m.*

Re: Pension Take-Over

By the Direction of the Chair, an article will be published in the Chronicles regarding the pension take-over issue telling what will happen and that the City can manage their own money.

- ❖ *Trustee **Johnson** stepped away from the meeting at 11:20 a.m. and rejoined the meeting at 11:24 a.m.*
- ❖ *The Board recessed for a break period at 11:21 a.m. and resumed back on the record at 11:45 a.m.*

PRESENTOR:

GLOBEFLEX

Representative Noah D. Bertz and Kurt Livermore appeared before the Board to give an update on their 1st quarter investment and organizational overview.

- ❖ *Trustee **Cook** rejoined the meeting from break period at 11:50 a.m.*

GlobeFlex Concludes at 12:05 p.m.

- ❖ *The Board recessed for a lunch period at 12:05 p.m. and resumed back on the record at 1:00 p.m.*

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:

Entry in Minutes:

Re: Donald Richardson – Complaint #2010

The Board received a copy of a letter submitted to Ms. Deborah Gaskin, Executive Director of the Board of Ethics in response on behalf of each Board Member by Attorney Zajac, dated April 6, 2010, for review and a copy of the Wayne County Circuit Court Order dated October 16, 2009, on a Complaint and Order to Show Cause.

Re: Joseph F. Wojtas

By: Trustee Brooks – Supported by Trustee Johnson

WHEREAS, the Retirement System is in receipt of a Macomb County Circuit Court Order titled "ORDER TO SHOW CAUSE AND EXPARTE ORDER APPOINTING RECEIVER" dated March 5, 2010.

WHEREAS, general counsel has confirmed that Court Order is intended by the Attorney General to appoint the General Retirement System as receiver with request to pension benefits of Joseph F. Wojtas from the General Retirement System, THEREFORE BE IT

RESOLVED, that the Board of Trustees acknowledge receipt of said Court Order dated March 5, 2010, which freezes pension benefits pending further Order of the Court, also be it

RESOLVED, that said Order be followed by the General Retirement System, also be it

RESOLVED, that a copy of this resolution be forwarded to Attorney General, Attention: Jackie Szymanski and Mr. Joseph F. Wojtas.

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

Nays: None

Re: Asian Village Detroit, Inc.: Application for Transfer of Liquor Licenses

By Trustee Anthony – Supported by Trustee Clark

WHEREAS, in connection with the loan to Asian Village Detroit, Inc. (the “Borrower”) the Retirement System was granted a security interest in all of the personal property of the Borrower, including the Class C and SDM Liquor Licenses issued to the Borrower by the Michigan 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 Retirement System has foreclosed the Borrower’s interest in all the personal property other than the Liquor Licenses; and

WHEREAS, the Retirement System 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 Board submit an application to the Commission for the transfer of the ownership in the Liquor Licenses; and

WHEREAS, the Retirement System has submitted the required application to the Commission for approval of the transfer of the ownership in the Liquor Licenses; and

WHEREAS, in accordance with the Commission’s standard procedures for processing of transfer applications, the Commission has referred the Board’s application to the Detroit Police Department for investigation; and

WHEREAS, the Board notes that there is a \$2,000 processing fee payable to the Detroit Police Department and a \$30 fee payable to the State of Michigan for fingerprints in connection with the investigation; and

WHEREAS, on February 24, 2010, the Board approved the payment of the \$2,000 processing fee and directed Special Legal Counsel F. Logan Davidson to take appropriate action to determine whether said fees can be waived in this matter and report his findings to the Board, and

WHEREAS, Special Legal Counsel has reported to the Board that the Detroit Police Department is unable to waive the \$2,000 processing fee because said fee is mandated by resolution of the Detroit City Council, but the Detroit Police Department would waive the fingerprint requirement, and

Re: Asian Village Detroit, Inc.: Application for Transfer of Liquor Licenses – (Con't)

WHEREAS, the Board has discussed this matter; THEREFORE BE IT

RESOLVED, that consistent with prior action of the Board, the Executive Secretary is hereby directed to pay the \$2,000 processing fee to the Detroit Police Department.

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

Nays: None

Re: Mt. Olive Shopping Center, Mt. Olive, New Jersey: Discharge of Mortgages and
Assignment of Leases

By Trustee Clark – Supported by Trustee Johnson

WHEREAS, on May 12, 1998, the Board made an initial loan to DE 149 Corp., (“Borrower”) in the amount of \$12,600,000.00 for the project known as the Mt. Olive Parkade Shopping Center in Mt. Olive, New Jersey (the “Project”), and

WHEREAS, as security for the loan the Borrower executed and delivered to the Board a Mortgage on the Project and an Assignment of the Project’s Leases and Rents, and

WHEREAS, on September 4, 2001, the initial loan was increased by an additional \$2,000,000, and the two loans were combined into one consolidated loan of \$14,600,000, and

WHEREAS, National Shopping Center, LLC has paid the entire outstanding indebtedness of the consolidated loan and has requested the Board to execute a Discharge of Mortgage and Assignment of Leases dated April 14, 2010, relative to the consolidated loan, and

WHEREAS, the execution of said document has been recommended by the Board’s real estate advisor, Capozzoli Advisory for Pensions, Inc., and its Special Legal Counsel F. Logan Davidson, and

WHEREAS, the execution of said document has been reviewed and approved as to form by the Board’s legal counsel and the execution of said document is consistent with prior action of the Board, THEREFORE BE IT

Re: Mt. Olive Shopping Center, Mt. Olive, New Jersey: Discharge of Mortgages and
Assignment of Leases – (Continued)

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

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

Nays: None

Entry in Minutes:

Re: SEC Investigation – Request re: Union Heritage Capital Management, LLC and
Related Matters

Attorney Joseph E. Turner of Clark Hill, submitted to the Board of Trustees, dated April 9, 2010, copies of an eight-page completed Information Confirmation form in the Life Assurance Fund LP investment for the General Retirement System and Police and Fire Retirement System of the City of Detroit, signed by the Executive Secretary, Walter Stampor, for review.

Re: Tradewinds Litigation (Watkins, et al.)

The Board received a copy of Plaintiffs' Response to Defendants' Objections to Magistrate's Report and Recommendation (D.I. 86) Denying Defendants' Motion to Dismiss Certain Claims, or in the Alternative, for Stay of Proceedings, (D.I. 78) dated April 12, 2010, and a copy of Motion to Withdraw as Counsel for the Third-Party Defendant Jeff Conry and Brief in Support dated April 13, 2010, for review.

Re: Freedom of Information Act Request

The Board received a copy of the FOIA request to MERS dated April 8, 2010 by Attorney Joseph Turner, of Clark Hill PLC, for their review.

Re: Approval of Tradewinds' Bankruptcy Trustee Motion Regarding Collection
and Use of Cash Receipts

By: Trustee Anthony - Supported By: Trustee Brooks

WHEREAS, the Board has received (i) a letter from Peter A. Jackson of Clark Hill PLC (the Board's Special Counsel) dated April 13, 2010 summarizing the proposed action of Barry Mukamal (the Tradewinds Bankruptcy Trustee) to pursue the collection of a substantial debt owed to Tradewinds Airlines by one of its debtors Cargotalia (estimated value at least \$2.5 million) subject to an agreement to split the costs and proceeds of the collection as follows, sixty-five percent (65%) to the secured lenders (the General Retirement System of the City of Detroit and the Police and Fire Retirement System of the City of Detroit collectively – the Detroit Pension Funds), and thirty-five percent (35%) to the Trustee on behalf of the unsecured lenders, and (ii) a proposed Agreed Motion For Approval of Agreement Between Chapter 7 Trustee and Secured Lenders General Retirement System of the City of Detroit and the Police and Fire Retirement System of the City of Detroit Regarding Collection and Use of Certain Cash Receipts (the Motion) memorializing the agreement authorizing the Tradewinds Bankruptcy Trustee to proceed with the Cargotalia collection action consistent with the foregoing understanding, and

WHEREAS, the Bankruptcy Trustee has previously collected \$54,000 in small debts of which the Detroit Pension Funds is entitled to their prorata share, however, the Bankruptcy Trustee recommends the entire \$54,000 proceeds should be utilized to fund the initial costs of the Cargotalia collection costs, otherwise the Detroit Pension Funds would be entitled to their prorata share of such proceeds, and

WHEREAS, with respect to the Cargotalia collection action the General Retirement System of the City of Detroit and Police and Fire Retirement System each would receive one-half of the Detroit Pension Funds prorata share of any net collection proceeds and likewise would be responsible for one-half of the Detroit Pension Funds prorata share of the collection costs in excess of the aforementioned \$54,000, and

WHEREAS, the Boards Florida Bankruptcy Counsel respectfully recommends the Board approves the Cargotalia collection action and the Motion, and

WHEREAS, the Boards Special Counsel has advised the Board's General Counsel and the Board and respectfully recommends the Board approves the Cargotalia collection action and the Motion, and

Re: Approval of Tradewinds' Bankruptcy Trustee Motion Regarding Collection
and Use of Cash Receipts – (Continued)

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

RESOLVED, having been advised by counsel, approves the Tradewinds Bankruptcy Trustee pursuing the Cargotalia collection action consistent with the Motion, and be it further

RESOLVED, that a copy of this resolution be forwarded to the Boards' Florida Bankruptcy Counsel, the Bankruptcy Trustee and the Board's Special Legal Counsel, and be it further

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

Nays: None

- ❖ *Trustee **Anthony** left the meeting for the day at 1:31 p.m.*
- ❖ *Trustee **Cook** rejoined the meeting after lunch period at 1:37 p.m.*

Re: Questionnaire (Seven Questions) Required to be Answered by Those
Requesting Investments by the Retirement System

By: Trustee Jenkins – Supported by Trustee Johnson

WHEREAS, the Board of Trustees previously adopted a resolution requiring answers (satisfactory to the Board of Trustees) to the seven point/questionnaire as a condition to making a presentation to the Board, and

WHEREAS, the Board wishes to clarify its requirements to reflect that all presenters (whether or not the answers to the questionnaire were previously provided regarding other proposed transactions) must submit answers to the newly received questionnaire,
THEREFORE BE IT

RESOLVED, that all presenters of proposals must submit answers to the seven point/questionnaire for each proposal prior to making the presentation, and further

RESOLVED, that the Agenda reflect the date of receipt of answers to questionnaires and copies of the answers be distributed to each trustee prior to the presentation, and further

RESOLVED, that copies of this resolution be provided to all interested parties.

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

Nays: None

Re: Lehman Securities/Securities Lending

By Trustee Glaser – Supported by Trustee Jenkins

WHEREAS, the Board of Trustees received a letter from Sullivan, Ward, Asher & Patton, P.C. ("SWAP, PC") dated February 12, 2010, involving the possibility of SWAP, PC filing a cause of action to recover Retirement System's losses regarding the securities lending program and Lehman Securities on a contingency fee arrangement, and

WHEREAS, SWAP, PC has made a presentation to the Board of Trustees on April 7, 2010, regarding these matters, and

WHEREAS, the Board of Trustees has discussed these matters; THEREFORE BE IT

RESOLVED, that subject to a confidentiality agreement executed by SWAP, PC, the Board APPROVES the providing of applicable information to SWAP, PC who will analyze the potential claims of the Retirement System and report to the Board of Trustees SWAP PC's findings and recommendations regarding this matter, and further

RESOLVED, that the Board's investment analyst provide all available information regarding this matter to SWAP, PC, and further

RESOLVED, that a copy of this resolution be forwarded to SWAP, PC.

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

Nays: None

Re: Stewart Capital Management ("SCM")/Proposal \$2,000,000 Mortgage Offering

By: Trustee Brooks - Supported by Trustee Glaser

WHEREAS, the Board of Trustees is in receipt of a letter dated March 3, 2010, and a 12 page booklet dated March 31, 2010 now has the foregoing proposal \$2,000,000 mortgage loan investment proposal under consideration, the basic and general proposed conditions of which are set forth in the submitted written materials presented to the Board and discussed this date and to which certain modifications and additional requirements may be added by the Board or Advisors to the Board, per discussion between or with the Board members, and

WHEREAS, the Board has indicated its willingness to further consider making this proposed investment subject to possible certain additional terms and modifications of said proposal, which may be required after special legal counsel begins to prepare loan investment documents, and

WHEREAS, the Board's contingent approval is also conditioned upon the understanding that the proposed transaction does not contemplate Unrelated Business Taxable Income (UBTI) to the Retirement System as Investor, and

WHEREAS, the Board has elected Marie T. Racine and Associates as Special Legal Counsel regarding this proposed investment who may be submitting proposed modifications regarding the proposed transaction to protect the interests of the Retirement System, therefore be it

RESOLVED, that subject to the provisions as stated in this resolution, the Board hereby conditionally approves the proposed investment, and indicates its intention to complete the transaction provided all requirements of the Board are met by **SCM** and subject to approval of final documents by the Board of Trustees, and be it further

RESOLVED, that it be expressly understood by all parties that there is no obligation of the Board to make the investment unless final transaction documents are approved as to form and content by the Board and approved as to form by the Board's legal counsel and is executed by the Board and **SCM** and subject to all terms of any such fully executed documents being met by the parties, including specifically all costs of the Board, including due diligence costs and legal fees and expenses being paid from an escrow account funded by **SCM** or other entities other than the Board, and be it further

RESOLVED, that the Board notes the possibility of suggested additional changes to the proposal will be made by the Board and any applicable due diligence monitor and/or business advisor and special legal counsel, and be it further

Re: SCM - \$500,000.00 Investment – (Continued)

RESOLVED, that any commitment or other preliminary transaction documents signed by the Board include the provision that all final transaction loan documents are subject to approval as to form and content by the Board and the Board's special legal counsel, if applicable, and approval as to form and content by the Board's general counsel, and be it further

RESOLVED, the Board selects Marie T. Racine and Associates as Special Legal Counsel regarding this matter, and arrangements be made for **SCM** to escrow funds for payment of all costs and expenses, and be it further

RESOLVED, that the foregoing is also conditioned upon **SCM** paying all costs and expenses of the Board, including due diligence/site inspection by the Board and legal fees in document preparation even if this proposed investment is not completed or finalized due to **SCM** deciding to withdraw the proposal, refusing to execute final documents approved by the Board of Trustees, or for any other reason deciding not to proceed with the transaction, and be it further

RESOLVED, that a copy of this resolution be forwarded to proposed **SCM** and special legal counsel to be selected by the Board, and be it further

RESOLVED, that the foregoing is also subject to receipt, by the Board, of written acknowledgment from **SCM** that proposed applicable party has received a copy of this resolution and acknowledges and agrees to the conditions and requirements therein.

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

Nays: None

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

Nays: None

❖ *Legal Concludes.*

ADJOURNMENT

There being no further business before the Board, **Chairperson S. Kneeshaw** adjourned the meeting at **2:10 p.m.** until **Wednesday, April 21, 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 fluid and cursive, with a large loop at the end.

MYRON T. TERRELL
ASSISTANT EXECUTIVE SECRETARY