

**MEETING NUMBER 3846**

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



**PROCEEDINGS HELD WEDNESDAY,  
MAY 12, 2010, 9:00 A.M.  
IN THE CONFERENCE ROOM OF THE RETIREMENT  
SYSTEMS  
910 COLEMAN A. YOUNG MUNICIPAL CENTER  
DETROIT, MICHIGAN 48226**



**PRESENT**

Wendell Anthony  
Alvin Brooks  
David Clark  
Cedric Cook  
Susan Glaser  
Cheryl R. Johnson  
Sheila W. Kneeshaw

Trustee  
Trustee  
Trustee  
Trustee  
Trustee & Vice Chairperson  
Ex/Officio Trustee/Treasurer  
Trustee & Chairperson

Cynthia Thomas  
Ronald Zajac  
Richard Huddleston

Assistant Executive Secretary (P&F)  
Legal Counsel  
Investment Analyst

Mena Baldwin  
Janet Lenear

Recording Secretary  
Recording Secretary

**EXCUSED**

Saunteel Jenkins

Ex/Officio Trustee/Council Representative

**ABSENT**

Walter Stampor  
Myron Terrell

Executive Secretary  
Assistant Executive Secretary

**CHAIRPERSON**

**Sheila W. Kneeshaw**

**VICE CHAIRPERSON**

**Susan Glaser**

AT THE CHAIR'S DIRECTION, ROLL CALL WAS TAKEN AT 9:40 A.M. BY THE BOARD'S RECORDING SECRETARY AND THE MEETING WAS CALLED TO ORDER.

**RE: SERVICE RETIREMENTS**

**By: Trustee Glaser – Supported by Trustee Johnson**

**RESOLVED**, that the following applications for *Service Retirements* be hereby **APPROVED**, as reflected below:

**SERVICE RETIREMENTS**

NAME, TITLE, DEPARTMENT	Angela D. Bean – Prin. Dev. Specialist – Planning & Development
SERVICE CREDIT	31-0
EFFECTIVE DATE	04-03-10
NAME, TITLE, DEPARTMENT	Willie G. Brunson – Manager I - Finance
SERVICE CREDIT	43-04
EFFECTIVE DATE	04-09-10
NAME, TITLE, DEPARTMENT	Dorian L. Walker – Manager I – Planning & Development
SERVICE CREDIT	32-07
EFFECTIVE DATE	04-03-10

**YEAS:** Trustees Brooks, Clark, Cook, Glaser, Johnson  
and Chairperson S. Kneeshaw – 6

**NAYS:** None

**RE: OPTION CHANGE**

**BY: Trustee Johnson – Supported by Trustee Glaser**

**RESOLVED**, that the following applications for *Option Change* be hereby **APPROVED**, as reflected below:

**OPTION CHANGE**

NAME, TITLE, DEPARTMENT	Vera Ford – Prom Activities Asst. - Transportation
SERVICE CREDIT	10-0
EFFECTIVE DATE	10-01-07
FROM:	Three/Pop-Up
TO:	Three/Pop-Up – Equate Age 65

**YEAS:** Trustees Brooks, Clark, Cook, Glaser, Johnson  
and Chairperson S. Kneeshaw – 6

**NAYS:** None

**RE: REFUNDS OF ACCUMULATED CONTRIBUTIONS**

**By: Trustee Johnson – Supported by Trustee Clark**

**RESOLVED**, that the contributions to the **Annuity Distribution List** by members of the **GENERAL RETIREMENT SYSTEM** of the City of Detroit, as set forth on **List # 6956**, in the amount of **\$1,082,454.53** including interest, be refunded pending audit by Retirement System Accounting Staff.

**YEAS:** Trustees Brooks, Clark, Cook, Glaser, Johnson  
and Chairperson S. Kneeshaw - 6

**NAYS:** None

**RE: MINUTES FOR APPROVAL**

Additional time was requested for all trustees to review the minutes for the following dates; therefore, these minutes will be brought back to the table for approval at the next Board Meeting.

- 04/07/10 - #3841
- 04/14/10 - #3842
- 04/21/10 - #3843
- 04/28/10 - #3844

**ASSISTANT EXECUTIVE SECRETARY REPORT**

- Trustee Anthony joined the Board Meeting

**RE: GABRIEL ROEDER SMITH REPORT**

The Trustees each received a copy of a preliminary report to read dated May 2010 received from Gabriel Roeder Smith & Company representative of a 71<sup>st</sup> Annual Actuarial Valuation Report as of June 30, 2009 for the City of Detroit General Retirement System.

**RE: NEW TRUSTEE ELECTION**

The Assistant Executive Secretary reported that there were six (6) candidates who turned in petitions as follows:

- Marilyn Berdijo
- Jermaine Brown
- Tasha Cowan
- Kenneth Gray
- Joseph Ramsey
- John Riehl

**RE: LOCAL 1 UNITE HERE**

The Board received a copy of a letter "**Local 1 UNITE HERE**" which basically made reference to the JP Morgan Asset Management's Special Situation Property Fund. Staff advised the Board that it has an investment in this property.

**RE: PITG SOURCES OF FUNDS TO PURCHASE 2ND LIEN NOTES**

The staff received a memorandum outlining the sources used to purchase the PITG second lien note.

**RE: RIVER PLACE APARTMENTS / MAYFIELD GENTRY REALTY ADVISORS, LLC ("MGRA")**

**BY: Trustee Brooks – Supported by Trustee Johnson**

**WHEREAS**, the Board has been requested to execute the following documents:

- Approval of disbursement Retirees for **\$755,000** to pay Semi-Annual Debt Payment due June 1. 2010

relative to the aforesaid transaction, **and**

**WHEREAS**, the execution of said document has been recommended by Mayfield Gentry Realty Advisors, **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 documents is consistent with prior action of the Board, **therefore be it**

**RESOLVED**, that said document be executed by two authorized signatories on behalf of the Retirement System, **and be it further**

**Continued: River Place Apartments / Mayfield Gentry**

**RESOLVED**, that the executed original document be forwarded to the appropriate party and copies be maintained in the Retirement System records.

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

**NAYS:** None

**RE: CONFIRMATIONS**

**By: Trustee Johnson – Supported by Trustee Glaser**

**RESOLVED**, that the receipts and disbursements which are referenced at the end of these proceedings be confirmed for approval.

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

**NAYS:** None

**RE: ANNUITY LOAN PROGRAM STATUS - UPDATE**

The Assistant Executive Secretary presented the Board with a memorandum from Dennis Linet providing an update on the 1973 Defined Contribution Loan Program wherein same was accepted by the Board of Trustees.

**RE: CASH FLOW ANALYSIS**

The Investment Analyst distributed a Cash Flow Analysis at the request of Trustee Cook.

**RE: ZWERLING, SCHACHTER & ZWERLING, LLP**

The Board received a request from Zwerling, Schachter & Zwerling, LLP, special class action counsel. The request was referred to staff.

**RE: TKB TERRACES PROPERTY, ISLAND OF HAWAII**

The Board received a letter from the law office of Steven Chung and Associates, requesting written consent to remove homeless person, nuisances, and unsafe conditions on the property. The matter was referred to staff to Contact Banyan Realty and F. Logan Davidson to report back May 19, 2010.

**RE: 1973 DEFINED CONTRIBUTION PLAN (EMPLOYEE LOAN PROGRAM)**

**By: Trustee Glaser – Support by Trustee Johnson**

**RESOLVED**, that the **General Retirement System Loan Request List** presented to Board May 12, 2010 is hereby **Approved** in the amount of **\$258,905.00.**

**YEAS:** Trustees Brooks, Clark, Cook, Glaser, Johnson and Chairperson S. Kneeshaw - 6

**NAYS:** None

**RE: MAPERS CONFERENCE MAY 27, 2010 IN MT. PLEASANT**

Chairperson S. Kneeshaw and Trustee Glaser will attend this conference.

**RE: EDUCATIONAL TRAVEL**

The Chairperson requested a travel listing from the Assistant Executive Secretary indicating what conferences the trustees will be attending. A response is expected at the next upcoming board meeting.

- Trustee Clark excused himself from the meeting

**LEGAL COUNSEL REPORT**

**RE: HALL v. HALL**

**Wayne County Case No. 09-104898-DZ**

**By: Trustee Glaser - Supported by Trustee Johnson**

**WHEREAS**, the Board is in receipt of a **Eligible Domestic Relations Order ("EDRO")** dated **April 1, 2010**, which amends prior orders dated November 2, 2009 and September 16, 2009, which amends/supplements a current Judgment of Separate Maintenance dated September 16, 2009, wherein **Sandra Hall** is awarded certain rights to the defined benefit plan benefits **only** of **Calvin J. Hall**, who is currently an active employee, **and**

**WHEREAS**, participant's date of birth is September 26, 1959 and to date participant has attained 25 years, 4 months of service credit, **and**

**WHEREAS**, alternate payee **is not** entitled to claim a portion of participant's defined contribution plan, **and**

**WHEREAS**, alternate payee **is entitled** to claim a portion of participant's defined benefit plan because all amounts were previously withdrawn from the defined contribution plan, **and**

**WHEREAS**, alternate payee is entitled to claim a portion of participant's defined benefit plan, **and**

**WHEREAS**, the earliest date that payments from the defined benefit plan can be made to the participant or the alternate payee is immediately, **and**

**WHEREAS**, the Board's policy is to require that the cost for the actuary's calculations is to be borne by the parties to the domestic relations proceedings, **and**

**WHEREAS**, the court order provides for the parties to share cost of the actuary's fees, **and**

**Continued – Hall v. Hall**

**WHEREAS**, said matter had been discussed with legal counsel who has opined that the applicable terms of said court order are consistent with the provisions of the Retirement System and applicable law including Public Act 46 of 1991 (MCLA 38.1701) as applicable, **therefore be it**

**RESOLVED**, that the Board acknowledge receipt of said court order and pay pension benefits consistent with said court order subject to application being filed by the party seeking payment, **and further**

**RESOLVED**, that a copy of this resolution be IMMEDIATELY attached as the tope sheet of the pension file, and other appropriate records be kept for the Retirement System relative to this matter, **and further**

**RESOLVED**, that copies of this resolution be sent to Attorney Lavonne Bannister Jackson; Sandra Hall and Calvin J. Hall.

**YEAS:** Trustees Anthony, Brooks, Cook, Glaser, Johnson and  
Chairperson S. Kneeshaw - 6

**NAYS:** None

**RE: LETTER FROM SEC LENDING LEHMAN BROTHERS  
INTERNATIONAL EUROPE**

A letter requesting information was distributed to the Board to be discussed in closed session.

**RE: ValStone Opportunity Fund II, LLC ("ValStone")**

**BY: Trustee Glaser – Supported Trustee Brooks**

**WHEREAS**, the Board has been requested to execute the following documents:

- Written Consent Resolution dated May 12, 2010

relative to the aforesaid transaction, **and**

**WHEREAS**, the execution of said documents has been recommended by ValStone, **and**

**WHEREAS**, the execution of said documents have been reviewed and approved as to form by the Board's legal counsel and the execution of said documents is consistent with prior action of the Board, **therefore be it**

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

**RESOLVED**, that the executed original document be forwarded to the appropriate party and copies be maintained in the Retirement System records.

**YEAS:** Trustees Anthony, Brooks, Cook, Glaser, Johnson and  
Chairperson S. Kneeshaw - 6

**NAYS:** None

**RE: Securities Lending Lehman Brothers International Europe  
("LBIE")/ BNYM**

**By: Trustee Brooks – Supported by Trustee Glaser**

**WHEREAS**, the Board has been requested to execute a letter from BNYM dated March 29, 2010 requesting authorization for payment to LBIE relative to the aforesaid transaction, **and**

**WHEREAS**, the execution of said document has been recommended by BNYM, **and**

**WHEREAS**, the execution of said document has been reviewed and approved as to form by the Board's legal counsel, **therefore be it**

**RESOLVED**, that said document be executed by two (2) authorized signatories on behalf of the Board, **and be it further**

**RESOLVED**, that the executed original document be forwarded to the appropriate party and copies of said executed original document be maintained in the Retirement System records:

**YEAS:** Trustees Anthony, Brooks, Cook, Glaser, Johnson and Chairperson S. Kneeshaw – 6

**NAYS:** None

**RE: POLITICAL ACTION COMMITTEE**

Trustee Johnson would like to have the minutes searched to verify if a resolution was passed to form a Political Action Committee in prior minutes.

**RE: CODE OF CONDUCT**

Legal Counsel, Ronald Zajac, read the Code of Conduct rules to the Board of Trustees allowing open discussion of same.

**RE: ISSUE OF POSSIBILITY OF RETIREMENT SYSTEM INVOLVEMENT IN SPONSORSHIP OF A FUND COMMONLY REFERRED TO AS A "PAC" WITH RESPECT TO ADVOCACY OF LOCAL CONTROL OVER RETIREMENT SYSTEMS**

**BY: Trustee Glaser – Supported by Trustee Cook**

**RESOLVED**, that General Counsel review the applicable statute (which involves funds commonly referred to a Political Action Committee (PAC) and report to the Board of Trustees regarding whether the Retirement System can or should be involved in the establishing of a PAC.

**YEAS:** Trustees Anthony, Brooks, Cook, and Glaser - 4

**NAYS:** Trustee Johnson and Chairperson S. Kneeshaw - 2

**RE: MICHAEL VAN OVERBEKE**

Chairperson S. Kneeshaw requested that the Assistant Executive Secretary contact Michael Van Overbeke to schedule him to present the final Board policy drafts. He is also requested to be prepared to discuss if the Board can form or should form a Political Action Committee.

**RE: FOIA RESPONSE RE: MERS**

Each member of the Board of Trustees was given a copy of a response letter sent to John M. Cahill regarding the April 8, 2010 FOIA Request.

**RE: CLOSED SESSION**

**BY: Trustee Glaser – Supported by Trustee Anthony**

**RESOLVED**, that the Board enters into CLOSED SESSION to discuss Attorney/Client Privileged matters.

A roll call vote was taken as follows:

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

**NAYS:** None

- The Board went into "CLOSED SESSION" at 11:35 a.m.
- Trustee Clark returned to the meeting during closed session.
- Attorney Joe Turner and associate joined the closed session to update staff on certain matters.

**RE: OPEN SESSION**

**BY: Trustee Johnson – Supported by Trustee Glaser**

**RESOLVED**, that the Board return to "OPEN SESSION".

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

**NAYS:** None

- The Board returned to "Open Session" at 12:42 p.m.

**ADJOURNMENT**

There being no further business to come before the Board of Trustees, the General Retirement System Board meeting hereby adjourned at 12:45 p.m. until Wednesday, May 19, 2010 at 9:00 a.m. in the Retirement Systems' Conference Room, 910 Coleman A. Young Municipal Center, Detroit, MI 48226.

By: \_\_\_\_\_  
**Cynthia A. Thomas**  
**Assistant Executive Secretary**