

Meeting No. 3642
JOURNAL OF PROCEEDINGS

BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM

WEDNESDAY, JUNE 14, 2006 AT 9:00 AM

RETIREMENT SYSTEMS' CONFERENCE ROOM

910 COLEMAN A. YOUNG MUNICIPAL CENTER - DETROIT, MICHIGAN 48226

PRESENT

Wendell Anthony	Trustee
Jeffrey Beasley	Ex-Officio Trustee and Treasurer
David Clark	Trustee
Gerald Fischer	Trustee
Susan Glaser	Trustee and Vice Chairperson
Ronald Gracia	Trustee and Chairman
Sheila Wade Kneeshaw	Trustee
Kathleen Leavey	Trustee

Walter Stampor	Executive Secretary
Myron T. Terrell	Assistant Executive Secretary
Ronald Zajac	Legal Counsel
F. Logan Davidson	Legal Counsel Assistant
Lawrence Walker	Legal Counsel Assistant
Kenneth Howard	Recording Secretary

EXCUSED

Kenneth V. Cockrel, Jr.	Ex-Officio Trustee and Councilman
Kwame M. Kilpatrick	Ex-Officio Trustee & Honorable Mayor

Chairman

RONALD GRACIA

Called the General Retirement System of the City of Detroit Board of Trustees board meeting to order at 9:49 a.m.

- ❖ Trustee Gerald Fischer requests to be excused from the General Retirement System of the City of Detroit board meeting of Tuesday, June 20, 2006.

**RE: Change of Computation from
Duty Disability to Service Retirement Formula**

By: Trustee Kneeshaw - Supported by: Trustee Leavey

RESOLVED, that the Board **APPROVE** the benefit calculation in accordance with the service retirement formula for Michael J. Gallagher, pension #R178379, no. 1746, effective: 1/1/06, and be it further

RESOLVED, that Michael J. Gallagher's disability retirement benefit be calculated in accordance with the service retirement formula and in accordance with Article VI, Part B, Section 4 of Chapter IV, Title 9 of the City Charter, and be it further

RESOLVED, that staff be directed to verify whether or not Michael J. Gallagher has a due city amount owing the Retirement System.

Yeas – Trustees Beasley, Fischer, Glaser, Kneeshaw, Leavey and Chairman
Gracia – 6

Nays – None

RE: CHANGE of EFFECTIVE DATES

By: Trustee Kneeshaw - Supported by: Trustee Fischer

RESOLVED, that the following requests for **Change of Effective Dates** be hereby **APPROVED**, as reflected below.

Yeas – Trustees Beasley, Fischer, Glaser, Kneeshaw, Leavey and Chairman
Gracia – 6

Nays – None

NAME	NUMBER	FROM	TO
Binnie L. Boatner	8453	5/13/06	5/16/06
Marsha S. Bruhn	2106	4/1/06	3/15/06

RE: Change of Options

By: Trustee Leavey - Supported by: Trustee Kneeshaw

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

Yeas – Trustees Beasley, Fischer, Glaser, Kneeshaw, Leavey and Chairman
Gracia – 6

Nays – None

NAME	NUMBER	FROM	TO
Ghazanfer Ali	7692	B/Pop-Up	Regular Straight Life – Equate Age 65
Binnie L. Boatner	8453	B/Pop-Up – Equate Age 65	B/Pop-Up – Standard

RE: Service Retirements

By: Trustee Leavey – Supported by: Trustee Kneeshaw

RESOLVED, that the following applications for **Service Retirement** be hereby **APPROVED**, as reflected below.

Yeas – Trustees Beasley, Fischer, Glaser, Kneeshaw, Leavey and Chairman
Gracia – 6

Nays – None

NAME	No.	PEN. No.	EFF. DATE
Willie A. Cameron, Jr.	7801	222808	6/16/06
David M. Sturgis	4491	196394	7/14/06
Nancy C. Wowk	0581	160173	6/17/06
William F. Wyzkiewicz	9315	190098	7/11/06

RE: CONFIRMATIONS

By: Trustee Glaser – Supported by: Trustee Kneeshaw

RESOLVED, that the **receipts, disbursements, pay-offs and draws**, so reflected below be hereby **CONFIRMED**:

Yeas – Trustees Beasley, Fischer, Glaser, Kneeshaw, Leavey and Chairman
 Gracia – 6

Nays – None

The Board received the following receipts and made the following disbursements:

RECEIPTS		
DATE	AMOUNT	REMARKS
6/7/06	\$803.00	Lynch, Jones & Ryan Commission Rebate – for April 2006
6/7/06	\$74,008.69	Inland Retail Real Estate – received cash distribution
6/7/06	\$72,333.33	Everest Energy - \$9.5 million loan – May monthly interest
6/7/06	\$51,561.05	Deposit General City returned pension checks
6/6/06	\$3,833.41	Deposit General City returned pension checks
6/9/06	\$74.22	Arch Street III – interest reimbursement
6/9/06	\$6,857.63	State Street Bank – class action proceeds
6/7/06	\$1,298.01	Due General City
Total:	\$210,769.34	

DISBURSEMENTS		
DATE	AMOUNT	REMARKS
6/2/06	\$429,272.16	DC Plan List #8009
6/6/06	\$125.42	ADP, Inc. – processing charges for period ending 5/31/06
6/7/06	\$3,965.00	Payment to Dr. O’Neal for disability examinations
6/8/06	\$77,655.26	Lend Lease – Arch Street III – draw #11
6/9/06	\$5,512.50	F. Logan Davidson, P.C. – legal fee for May, 2006
6/9/06	\$3,459.50	Detroit Office Interiors
6/9/06	\$7,425.00	Lawrence Walker – legal fee for May 2006
6/9/06	\$114,200.00	CAP Advisors – Westlake I & II
Total:	\$641,614.84	

RE: REFUND OF ACCUMULATED CONTRIBUTIONS
LIST NO. 6772 – AMT: \$1,887,587.22

By: Trustee Fischer – Supported by: Trustee Glaser

RESOLVED, that the contributions to the Annuity Savings Fund, by members of the General Retirement System, as set forth on *List No. 6772*, in the amount of **\$1,887,587.22**, including interest, be REFUNDED, pending audit by Retirement Systems' Accounting Staff, as reflected on the following pages.

Yeas – Trustees Beasley, Fischer, Glaser, Kneeshaw, Leavey and Chairman
Gracia – 6

Nays – None

RE: General Retirement System
Of the City of Detroit
Minutes/Journal No. 3635

By: Trustee Fischer – supported by: Trustee Kneeshaw

RESOLVED, that the General Retirement System of the City of Detroit Minutes/Journal No. 3635 of the board meeting held Wednesday, April 26, 2006 be hereby **APPROVED**, as recorded and submitted.

Yeas – Trustees Beasley, Fischer, Glaser, Kneeshaw, Leavey and Chairman
Gracia – 6

Nays – None

RE: River Place Apartments

By: Trustee Fischer – supported by: Trustee Kneeshaw

WHEREAS, the Board has been notified by MIG Realty Advisors that the June 2006 payment on the River Place Apartments first mortgage bonds has been made, and

WHEREAS, MIG has advised the Board that the collateral now required to support the River Place Apartments first mortgage bonds is \$22,856,517, and

WHEREAS, staff has advised the Board that the market value of the collateral in escrow at The Bank of New York to support the River Place Apartments first mortgage bonds is \$24,939,274 according to the most recent audited statement from the bank, and

Retirement Systems – City of Detroit

Annuity Distribution List

General Retirement Systems

List No. 6772

<u>Participant</u>		<u>Revenue</u>	<u>Suspense</u>	<u>Type of</u>	<u>Distribution</u>	<u>Amount of</u>	<u>Federal</u>		
<u>SSN</u>	<u>Participant</u>	<u>Group</u>	<u>Year</u>	<u>Distribution</u>	<u>Reason</u>	<u>Distribution</u>	<u>Taxable</u>	<u>Nontaxable</u>	<u>Withholding</u>
3189	CARLISLE ALBERT	Water		Total	Laid-off	\$3,953.87	\$523.89	\$3,429.98	\$104.78
8565	CHAPMAN TIMOTHY L	General		Total	Laid-off	\$7,143.10	\$1,716.69	\$5,426.41	\$343.34
0482	FIELDS LESTER	DOT		Total	Death	\$80,994.21	\$63,243.83	\$17,750.38	\$12,648.77
7955	HARDY TOM LEE	General		Total	Laid-off	\$933.29	\$85.52	\$847.77	\$17.10
1732	HARRIS WILLIAM	Water		Partial	25 Year	\$214,897.87	\$172,322.14	\$42,575.73	\$0.00
4069	HILL DOUGLASS A	General		Total	Separation	\$109,924.61	\$69,289.26	\$40,635.35	\$13,857.85
9303	HILL MELANIE D.	Water		Total	Laid-off	\$6,062.12	\$1,024.07	\$5,038.05	\$204.81
0613	HODGE CAROL REED	General		Partial	25 Year	\$87,328.61	\$77,199.35	\$10,129.26	\$0.00
4569	HORVATH ERIC K	General		Total	Separation	\$90,394.69	\$62,015.34	\$28,379.35	\$0.00
8614	INMAN LASHON Y	General		Partial	Laid-off	\$12,000.00	\$7,777.22	\$4,222.78	\$1,555.44
6929	JACKSON TARA T.	DOT		Total	Separation	\$8,436.31	\$1,124.93	\$7,311.38	\$224.99
4565	JOHNSON RENEE A	General		Total	Retirement	\$16,867.89	\$7,709.78	\$9,158.11	\$1,541.96
8402	LEWIS JOYCE V	General		Total	Separation	\$9,288.25	\$2,551.12	\$6,737.13	\$510.22
0394	MADISON ARTHUR	Water		Total	Laid-off	\$10,718.21	\$1,646.11	\$9,072.10	\$329.22
5682	MAILLOUX GREGORY S.	Library		Total	Death	\$22,463.57	\$6,680.59	\$15,782.98	\$1,336.12
3723	MIGUEL ABELARDO D	General		Partial	25 Year	\$4,256.01	\$0.00	\$4,256.01	\$0.00
2765	NAPIER MYZELL	General		Total	Separation	\$18,412.28	\$6,130.66	\$12,281.62	\$1,226.13
6109	NICKENS ARTHUR S	Water		Total	Separation	\$46,480.49	\$18,190.65	\$28,289.84	\$0.00
5147	PATEL BHIKHABHAI D.	General		Total	Separation	\$69,866.19	\$32,531.65	\$37,334.54	\$6,506.33
6231	PATEL SHABRINA M.	DOT		Partial	25 Year	\$230,409.41	\$186,710.48	\$43,698.93	\$0.00
2432	PORTER ALAN	Water		Partial	25 Year	\$115,217.62	\$67,964.01	\$47,253.61	\$0.00
8307	SCOTT CHEQUITA	Water		Partial	25 Year	\$171,920.77	\$130,819.30	\$41,101.47	\$0.00
1263	SEALS JOHN DARRYL	DOT		Partial	Separation	\$8,737.19	\$1,533.18	\$7,204.01	\$306.64

Retirement Systems

Annuity Distribution List

General Retirement System

List No. 6772

<u>Participant</u>		<u>Revenue</u>	<u>Suspense</u>	<u>Type of</u>	<u>Distribution</u>	<u>Amount of</u>			<u>Federal</u>
<u>SSN</u>	<u>Participant</u>	<u>Group</u>	<u>Year</u>	<u>Distribution</u>	<u>Reason</u>	<u>Distribution</u>	<u>Taxable</u>	<u>Nontaxable</u>	<u>Withholding</u>
7277	WILLIAMS VIRGIL	DOT		Total	Separation	\$2,610.70	\$241.93	\$2,368.77	\$48.39
3420	WILLIAMS WARREN	General		Partial	25 Year	\$363,333.53	\$324,876.92	\$38,456.61	\$0.00
0211	WILSON III EVERETT	General		Total	Retirement	\$133,948.18	\$113,317.41	\$20,630.77	\$22,663.48
0313	WINES WILLIAM M	Water		Total	Separation	\$40,988.25	\$16,902.40	\$24,085.85	\$3,380.48
<u>Total Distribution for this Meeting</u>						\$1,887,587.22			

RE: River Place Apartments – continued from page (5)

WHEREAS, the Board has discussed this matter with staff on this date, therefore be it

RESOLVED, that the Assistant Executive Secretary be directed and authorized to sell \$2,000,000 of the FFLMC bonds, CUSIP 3128X3RU9 through the brokers of record.

Yeas – Trustees Beasley, Fischer, Glaser, Kneeshaw, Leavey and Chairman
Gracia – 6

Nays – None

Trustee David Clark entered the board meeting at 9:54 a.m.

RE: Patricia Granberry, No. 193648
Petition for Service Credit

By: Trustee Glaser – supported by: Trustee Kneeshaw

WHEREAS, the Board is in receipt of a letter, dated June 1, 2006, from Patricia Granberry, petitioning the Board for (3) months of service credit to make her eligible for a full service retirement pension, due to the Zoological Institute separation from City services, and

WHEREAS, the Board has discussed this matter, and

WHEREAS, the Board deems it beyond Ms. Granberry's control that the Zoological Institute is no longer a City of Detroit function/department, therefore be it

RESOLVED, that Patricia Granberry be hereby granted an additional (3) months of service credit to make her eligible for a full service retirement pension, and be it further

RESOLVED, that a copy of this resolution be forwarded to Patricia Granberry.

Yeas – Trustees Beasley, Clark, Fischer, Glaser, Kneeshaw, Leavey and
Chairman Gracia – 7

Nays – None

RE: Peter Cushman, No. 193944
Petition for Service Credit

By: Trustee Glaser – supported by: Trustee Kneeshaw

WHEREAS, the Board is in receipt of a letter, dated June 1, 2006, from Peter Cushman, petitioning the Board for (1) months of service credit to make him eligible for a full service retirement pension, due to the Zoological Institute separation from City services, and

WHEREAS, the Board has discussed this matter, and

WHEREAS, the Board deems it beyond Mr. Cushman's control that the Zoological Institute is no longer a City of Detroit function/department, therefore be it

RESOLVED, that Peter Cushman be hereby granted an additional (1) months of service credit to make him eligible for a full service retirement pension, and be it further

RESOLVED, that a copy of this resolution be forwarded to Peter Cushman.

Yeas – Trustees Beasley, Clark, Fischer, Glaser, Kneeshaw, Leavey and
Chairman Gracia – 7

Nays – None

RE: Faye J. Harper, No. 150723
Petition for Change of Option

By: Trustee Clark – supported by: Trustee Glaser

WHEREAS, the Board is in receipt of a letter, dated June 1, 2006, from Faye J. Harper, requesting that her retirement option be change to an Option B-25% form of retirement, and

WHEREAS, Faye J. Harper, who at the time of her retirement did select an Option B-25% form of retirement, is currently receiving a Straight Life form of retirement, due to an error made by the Pension Bureau, and

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

RESOLVED, that based on Faye J. Harper's original selection at the time of her retirement the Board hereby **APPROVES** a change in retirement option from Straight Life to an Option B-25% form of retirement, and be it

RE: Faye J. Harper, No. 150723
Petition for Change of Option – continued

RESOLVED, that said change is subject to Faye J. Harper repaying the Retirement System all amounts overpaid under the Straight Life form of retirement, as calculated and determined by the Retirement System, and be it further

RESOLVED, that a copy of this resolution be forwarded to Faye J. Harper.

Yeas – Trustees Beasley, Clark, Fischer, Glaser, Kneeshaw, Leavey and
Chairman Gracia – 7

Nays – None

GOALS & OBJECTIVES

The Assistant Executive Secretary reported to the Board regarding the following matters:

- Pre-hearing with the Human Resources' Director regarding the grievance filed by the American Federal State County and Municipal Employees ("AFSCME") Union as it relates to the title change(s) requests submitted by the Retirement System. Thus, the Assistant Administrative Supervisor was requested to get the number of employees below the title of Principal Clerk. And supply Human Resources with the duties of the titles requested to be changed.

Trustee Wendell Anthony entered the board meeting at 10:30 a.m.

Ex-Officio Trustee Beasley left the board meeting.

Trustee Kneeshaw left the board meeting.

- The Assistant Executive Secretary reported to the Board that he met with the City Council Research and Development Division Monday, June 12, 2006, as it relates to the "proposed Annuity Savings loan program". Thus, the Assistant Executive Secretary is hereby directed to request that he be allowed to review the Research and Development Division's report for accuracy and clarity before they submit it to City Council.

Ex-Officio Trustee Beasley returned to the board meeting.

Trustee Kneeshaw returned to the board meeting.

GOALS & OBJECTIVES – continued

- Pre-Employment Military Service Credit – Actuarial Study: the Assistant Executive Secretary reported to the Board that he has spoken to a representative from the Actuary (Gabriel Roeder) as it relates to their completion of the actuary study regarding amendments to the time periods in which a former service member can purchase their Pre-Employment Military Service Credit.
- 1998 Defined Contribution Plan – the Assistant Executive Secretary reported to the Board regarding his discussions on the impact of having all newly hired City of Detroit employees being put into the 1998 Defined Contribution Plan and the affect it will have on the existing Defined Benefit/Defined Contribution Plan.
- Employer Contributions: as requested by the Board, staff reported that the General Retirement System is charging the City departments a 7.9% late fee (monthly) as it relates to the employer contributions.

RE: River Place Apartments – Listing Agreement

The Board is in receipt of a letter, dated June 8, 2006, from the MIG Realty Advisors, requesting the Board to authorize an officer of GRS RP General Corp to enter into a listing agreement with Marcus & Millichap for sale of the River Place Apartments. However, the Board is currently reviewing other option as it relates to the River Place Apartments asset. Thus, staff is hereby directed to inform the MIG Realty Advisors to not take any action on their request until they hear further instructions from the General Retirement System Board of Trustees.

RE: BILLING PAYMENT REQUESTS

By: Trustee Glaser – Supported by: Trustee Fischer

WHEREAS, the Board of Trustees are in receipt of the following invoices requesting payment for services rendered, and

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

RESOLVED, that subject to staff audit, the Board **APPROVE** payment of said invoices as reflected on the following page.

Yeas – Trustees Anthony, Beasley, Clark, Fischer, Glaser, Kneeshaw, Leavey and
Chairman Gracia – 8

Nays – None

RE: BILLING PAYMENT REQUESTS – continued

FIRM or INDIVIDUAL	DATE	Amount	SERVICES PROVIDED
GlobeFlex Capital, L.P.	5/10/06	\$135,648.48	Investment management fee for 1 st qtr. 2006
Palisades Investment Partners, LLC	3/31/06	\$48,005.97	Investment management fee for 1 st qtr. 2006
The Townsend Group	6/1/06	\$11,250.00	Professional services – June 2006
Sprint	6/7/06	\$357.75	Telecommunication services provided for the period May 7, 2006 through June 6, 2006

RE: ½ BILLING PAYMENT REQUESTS

By: Trustee Glaser – Supported by: Trustee Fischer

WHEREAS, the Board of Trustees are in receipt of the following invoices requesting payment for services rendered, and

WHEREAS, the Board is satisfied that the services were provided to the Board as requested and required by the Board, and

WHEREAS, the Board is requested to pay half of said invoices, therefore be it

RESOLVED, that subject to staff audit the Board hereby **APPROVES** half payment of said invoices as reflected below.

Yeas – Trustees Anthony, Beasley, Clark, Fischer, Glaser, Kneeshaw, Leavey and Chairman Gracia – 8

Nays – None

FIRM OR INDIVIDUAL	DATE	Tot. Amt./GRS Amt.	SERVICES PROVIDED
Preferred Data Systems, LLC	5/31/06	\$12,541.56/\$6,270.78	Computer equipment
Forms Trac Enterprises, Inc.	5/30/06	\$117.92/\$58.96	Office supplies
Office Depot	6/2/06	\$650.39/\$325.19	Office supplies
Office Depot	6/2/06	\$20.65/\$10.32	Office supplies
Pension Benefit Information	6/7/06	\$943.00/\$471.50	Processing quarterly files
ADP, Inc.	6/9/06	\$256.00/\$128.00	Print services
ADP, Inc.	6/2/06	\$11,509.54/\$5,754.77	Print services
IKON Office Solutions	5/25/06	\$1,164.69/\$582.34	Office supplies
Office Depot	6/7/06	\$10.36/\$5.18	Office supplies
Iron Mountain	5/31/06	\$162.28/\$81.14	Files storage

RE: PRE-EMPLOYMENT MILITARY SERVICE CREDIT
Vernon M. Irvin, No. 6020 – Water and Sewerage Department

By: Trustee Kneeshaw - Supported by: Trustee Glaser

WHEREAS, the individual whose name is designated below has applied to this Board for **Pre-Employment Military Service Credit** and has complied with all of the necessary requirements of **Section 47-1-26** of the **Charter Provisions**, therefore be it

RESOLVED, that payment of the full amounts be made to the Pension Accumulation Fund by the method selected by the individual and the number of months eligible active duty be credited him as membership service credit subject to the conditions and limitations of the authorizing Ordinance Provisions:

Vernon M. Irvin
#198732 ----- #6020
From: December 27, 1965 – To: December 18, 1968

Yeas – Trustees Anthony, Beasley, Clark, Fischer, Glaser, Kneeshaw, Leavey
and Chairman Gracia – 8

Nays – None

RE: PRE-EMPLOYMENT MILITARY SERVICE CREDIT
David Shank, No. 7913 – Detroit Zoo

By: Trustee Kneeshaw - Supported by: Trustee Clark

WHEREAS, the individual whose name is designated below has applied to this Board for **Pre-Employment Military Service Credit** and has complied with all of the necessary requirements of **Section 47-1-26** of the **Charter Provisions**, therefore be it

RESOLVED, that payment of the full amounts be made to the Pension Accumulation Fund by the method selected by the individual and the number of months eligible active duty be credited him as membership service credit subject to the conditions and limitations of the authorizing Ordinance Provisions:

David Shank
#222021 ----- #7913
From: September 26, 1966 – To: September 25, 1969

Yeas – Trustees Anthony, Beasley, Clark, Fischer, Glaser, Kneeshaw, Leavey
and Chairman Gracia – 8

Nays – None

The Board recessed at 10:57 a.m., and Vice Chairperson Susan Glaser called the board meeting back to order at 11:10 a.m.

RE: Cash Return On Capital Invested (“CROCI”) US+ Index

Representative Mike Wayne of the Wayne Company, along with Scott Milner of the Deutsche Bank entered the board meeting to discuss possible investment in the CROCI US+ Index.

Trustee Kneeshaw left the board meeting and returned.

Trustee Ronald Gracia returned to the board meeting and resumed the Chair.

Trustee Clark left the board meeting and returned.

After their presentation and discussion with the Board, the presenters were hereby excused from the board meeting.

RE: Mayfield Gentry Realty Advisors, Inc.

Representatives Alyssa Diaz, Felicia Sturdstil, Marsha Bass-Atwater and (Chauncey Mayfield – byway of speakerphone) came before the Board to discuss their review of the River Place Apartments asset.

Ex-Officio Trustee Beasley left the board meeting and returned.

After their presentation and discussion with the Board, the representatives of the Mayfield Gentry Realty Advisors were hereby excused from the board meeting.

The Board recessed at 12:20 p.m. for lunch, and returned to session at 12:40 p.m.

RE: Banyan Realty Advisors

Mr. Louise Vogt of the Banyan Realty Advisors entered the board meeting to discuss the following matters:

- The River Place Apartments
- Adams McAlpine/Auburn Hills Financial Center

RE: Banyan Realty Advisors – continued

- Banyan Strategic Apartment Fund
- Kona Oasis Resort Condominium Development and Terraces at Kahalu'u Resort Condominium Development

Trustee Kneeshaw left the board meeting.

- Gateway Park Outlet Mall
- Behringer Harvard REIT I

After his presentations and updates to the Board, Mr. Louise Vogt was hereby excused from the board meeting.

The Board held discussion with its legal counsel as it relates to the request of the Banyan Realty Advisors as it relates to modifications to the Banyan Strategic Apartment Fund – acquisition of the LCA Portfolio. However, legal counsel isn't clear on some of the modifications; therefore Mr. Louise Vogt was called back before the Board to provide further explanation, and then excused again.

Trustee Clark left the board meeting.

Trustee Fischer left the board meeting.

- Banyan Strategic Apartment Fund – LCA Portfolio modifications: the Board hereby directs that its legal counsel and Investment Analyst get together and review the modifications as requested by the Banyan Realty Advisors regarding the Banyan Strategic Apartment Fund – LCA Portfolio, and report back with their recommendations.

RE: River Place Apartments Asset Management

By: Trustee Kneeshaw – supported by: Trustee Anthony

WHEREAS, the River Place Apartments has previously been assigned to the MIG Realty Advisors for purpose of asset management, and

WHEREAS, from time to time the Board reviews its portfolio and makes changes regarding selection of asset managers with respect to properties, and

RE: River Place Apartments Asset Management – continued

WHEREAS, the Board has been considering transferring of the River Place Apartments to another manager for various reasons relative to potential conversion to condominiums and related matters, and

WHEREAS, the Board has considered proposals from a number of asset managers including the MIG Realty Advisors (MIG), and

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

RESOLVED, that the River Place Apartments be assigned to Mayfield Gentry Advisors, Inc., and be it

RESOLVED, that the Board requests the cooperation of MIG regarding transitioning of management to Mayfield Gentry, and be it

RESOLVED, that the Board wishes it be noted that the Board appreciates the services of the MIG Realty Advisors regarding this matter and the Board's decision is not intended to be negative to the professionalism of the MIG Realty Advisors and the decision was made as a matter of routine administration by the Board of Trustees, and be it further

RESOLVED, that a copy of this resolution be forwarded to the MIG Realty Advisors and the Mayfield Gentry Realty Advisors.

Yeas – Trustees Anthony, Beasley, Glaser, Kneeshaw, Leavey and Chairman
Gracia – 6

Nays – None

RE: Cash Return On Capital Invested (“CROCI”) US+ Index

By: Trustee Leavey – supported by:

RESOLVED, that the General Retirement System of the City of Detroit not invest in the CROCI US+ Index.

THE ABOVE MOTION HEREBY FAILS FOR LACK OF SUPPORT.

**RE: Cash Return on Capital Invested (“CROCI”) US+ Index
\$20,000,000.00 Dollar Investment**

By: Trustee Beasley – supported by: Trustee Anthony

WHEREAS, the Board has had the foregoing investment proposal under consideration, the basic and general proposed conditions of which are set forth in previously submitted written materials presented to the Board and discussed this date and at previous meetings, and materials presented this date, and

WHEREAS, the Board has indicated its willingness to further consider making this proposed investment subject to certain additional terms and modifications of said proposal, which have already been identified by the Board of Trustees and certain additional terms and modifications which will be required after Special Legal Counsel begins to prepare 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 Lender, and

WHEREAS, the Board may be selecting special legal counsel regarding this proposed investment who may submit 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 the project sponsor, 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 other applicable parties, and subject to all terms of any such fully executed documents being met by the parties, including specifically all costs of the Board, including legal fees and expenses being paid from an escrow account funded by 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

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, and approval as to form and content by the Board’s general counsel, and be it further

**RE: Cash Return on Capital Invested (“CROCI”) US+ Index
\$20,000,000.00 Dollar Investment - continued**

RESOLVED, that upon the Board selecting special legal counsel regarding this matter, arrangements be made for project sponsor to escrow funds for payment of all costs and expenses, and be it further

RESOLVED, that the foregoing is also conditioned upon applicable party paying all costs and expenses of the Board, including legal fees in document preparation even if this proposed investment is not completed or finalized due to the applicable party 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 the Project Sponsor 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 applicable party that applicable party has received a copy of this resolution and acknowledges and agrees to the conditions and requirements therein.

Yeas – Trustees Anthony, Beasley, Glaser, Kneeshaw, Leavey and Chairman
Gracia – 6

Nays – None

LEGAL COUNSEL'S REPORTS/CORRESPONDENCE

 X General Retirement System Report
Date of Meeting June 14, 2006

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: Oracle Capital Fund, L.P.

By: Trustee Leavey – supported by: Trustee Anthony

WHEREAS, the Board has been requested to execute a First Amendment to Agreement of Limited Partnership of Oracle Capital Fund, L.P., relative to the aforesaid transaction, and

RE: Oracle Capital Fund, L.P. - continued

WHEREAS, the execution of said document has been recommended by the Board's special legal counsel, F. Logan Davidson, P.C., 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

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

Yeas – Trustees Anthony, Beasley, Glaser, Kneeshaw, Leavey and Chairman
Gracia – 6

Nays – None

RE: Book-Cadillac Hotel - \$9,000,000.00 Subordinated Debt

By: Trustee Glaser – supported by: Trustee Anthony

WHEREAS, the Board will be provided with a copy of the closing binder of all documents related to the Westin Book-Cadillac Hotel, and

WHEREAS, the Board has been requested to execute the following documents: Security Agreement, Intercreditor Agreement, and (2) Subordination Agreements, relative to the aforesaid transaction, and

WHEREAS, the execution of said documents have been recommended by the Board's special legal counsel, Couzens, Lansky, and

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

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

Yeas – Trustees Anthony, Beasley, Glaser, Kneeshaw, Leavey and Chairman
Gracia – 6

Nays – None

RE: Merge Technologies, Inc.

Each member of the Board was given a copy of the letter, dated June 12, 2006, from Bernstein, Litowitz, Berger & Grossmann, LLC, as it relates to the aforementioned class action litigation case.

RE: 20th UM/ULI Real Estate Forum Conference

By: Trustee Glaser – Supported by: Trustee Kneeshaw

RESOLVED, that the Board **APPROVES** the attendance of all Trustees, Executive Secretary, Assistant Administrative Supervisor and Legal Counsel at the 20th UM/ULI Real Estate Forum conference, October 26 & 27, 2006, in Detroit, MI, and be it further

RESOLVED, that the Board **APPROVE** expenditures for those attending said conference.

Yeas – Trustees Anthony, Beasley, Glaser, Kneeshaw, Leavey and Chairman
Gracia – 6

Nays – None

RE: AEW Partners V – DGRS Advisory Board Nomination

By: Trustee Kneeshaw – supported by: Trustee Glaser

WHEREAS, the Board is in receipt of a letter, dated May 25, 2006, from the AEW Partners V, soliciting nominations to their Advisory Board, and

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

RESOLVED, that Thomas Sheehan be hereby nominated as the General Retirement System of the City of Detroit representative on the AEW Partners V Advisory Board.

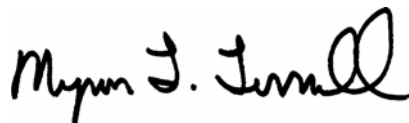
Yeas – Trustees Anthony, Beasley, Glaser, Kneeshaw, Leavey and Chairman
Gracia – 6

Nays – None

RE: ADJOURNMENT

There being no further business before the Board, the General Retirement board meeting adjourned at 2:27 p.m. until Tuesday, June 20, 2006, at 9:00 a.m. in the Retirement Systems' Conference Room, 910 Coleman A. Young Municipal Center, Detroit, MI 48226.

Respectfully submitted,

A handwritten signature in black ink, reading "Myron T. Terrell". The signature is written in a cursive style with a large, looped initial "M".

Myron T. Terrell
Assistant Executive Secretary