

MEETING NO. 3756
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM
HELD WEDNESDAY, **AUGUST 20, 2008**
9:00 A.M.

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

PRESENT

Wendell Anthony	Trustee
David Clark	Trustee
Gerald Fischer	Trustee
Susan Glaser	Trustee
Ronald Gracia	Trustee
Sheila Kneeshaw	Trustee & Vice-Chairperson
Kathleen Leavey	Trustee & Chairperson
DeDan Milton	Ex-Officio Alternate Trustee
Reginald O'Neal	Medical Director
Walter Stampor	Executive Secretary
Myron T. Terrell	Assistant Executive Secretary
Ronald Zajac	Legal Counsel
Richard Huddleston	Investment Analyst
Pamela S. Edwards	Recording Secretary

EXCUSED

Jeffrey Beasley	Ex-Officio Trustee & Treasurer
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ABSENT

Monica Conyers	Ex-Officio Trustee & Councilwoman
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Chairperson Leavey called the General Retirement System Board of Trustees meeting to order at 9:49 a.m.

SERVICE RETIREMENT

By: Trustee Glaser – Supported By: Trustee Fischer

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

NAME, TITLE, DEPARTMENT	Aaron Humes – Bldg. Trades Worker General - Water
SERVICE CREDIT	30-04
EFFECTIVE DATE	07-16-08

Yeas – Trustees Fischer, Glaser, Kneeshaw, Milton and Chairperson Leavey – 5

Nays – None

VESTED RETIREMENT

By: Trustee Glaser – Supported By: Trustee Milton

RESOLVED, that the following application for Vested Retirement be hereby APPROVED, as reflected below.

NAME, TITLE, DEPARTMENT	Oreese Collins, Jr. – General Manager-Pub. Hsg. Purch. - Housing
SERVICE CREDIT	20-01
EFFECTIVE DATE	04-01-08

Yeas – Trustees Fischer, Glaser, Kneeshaw, Milton and Chairperson Leavey – 5

Nays – None

CONFIRMATIONS

By: Trustee Kneeshaw - Supported By: Trustee Milton

RESOLVED, that the Receipts, Disbursements, Pay-Offs and Draws, reflected as follows be hereby CONFIRMED:

CONFIRMATIONS (cont'd)

RECEIPTS

Bonnie Kirk – August 15, 2008 – Returned Pension Check - \$656.15
Capri Select Income II, LLC (Capri Capital) – August 15, 2008 – Distribution, 2nd Quarter 2008 – \$140,800.00
Inland REIT (Inland America Real Estate Trust, Inc.) – August 15, 2008 – Remittance, July 2008 – \$82,500.04
Mary Lacey – August 15, 2008 – Returned Pension Check - \$2,258.16
Nob Hill CLO, LTD (Seneca Capital Management) – August 15, 2008 – Distribution, 2nd Quarter 2008 – \$272,882.59
Police & Fire Retirement System – August 15, 2008 – Reimbursement for Couzens Lansky (Princeton) thru June 24, 2008 and July 29, 2008
Real Times, Inc. – August 14, 2008 – Remittance, July 2008 - \$62,645.83
RLJ Lodging Fund II, LP (RLJ Development, LLC) – August 14, 2008 – distribution, 2nd Quarter 2008 – \$431,467.00
Sewerage – August 12, 2008 – Pension Contribution - \$2,705,273.60
Terry A. Walsh – August 15, 2008 – Annuity Refund Redeposit - \$9,399.70
The City of Detroit – August 15, 2008 – Weekly Annuity Contribution - \$471,091.20
The Sheffield Mezzanine 4 Note (MMA Realty Capital) – August 11, 2008 – Remittance, August 2008 – \$48,077.55
The Sheffield Mezzanine 4 Note (MMA Realty Capital) – August 13, 2008 – Remittance, Forbearance & Loan Modification Fee - \$40,000.00
Wind Point Partners V, LP (Wind Point Partners) – August 14, 2008 – Distribution - \$145,658.00
Wind Point Partners VI, LP – August 11, 2008 – Distribution - \$638,152.00

TOTAL - \$5,054,460.92

DISBURSEMENTS

Aberdeen Asset Management, Inc. – August 14, 2008 – Fees, 2nd quarter 2008 - \$213,794.29
ADP, Inc. – August 11, 2008 – Fees - \$91.77
Alpha Partners, LLC – August 14, 2008 – Fees, 2nd Quarter 2008 - \$17,175.00
Atlanta Capital Management Company, LLC – August 14, 2008 – Fees, 2nd Quarter 2008 - \$76,148.00
First Independence national Bank – August 12, 2008 – Annuity Refunds – List #6871 - \$1,221,325.49
Gene Kohut, Trustee of Estate of Winstar Communications, LLC – August 15, 2008 – Payment to Protect Collateral of Retirement Funds - \$10,000.00
Milestone Realty Services, Inc. – August 15, 2008 – 7850 E. Jefferson, Summer Tax & Landscaping – \$12,043.33
Muije & Varricchio (CAP – GRS Sahara Avenue Corp.) – Legal Fees, June 2008 - \$1,653.40
North Point Advisors – August 12, 2008 – Due Diligence Fees – PITG Gaming - \$5,000.00
North Point Advisors – August 12, 2008 – Due Diligence Fees – PITG Gaming - \$10,000.00
The City of Detroit – August 15, 2008 – Checkwrite - \$9,687.25
US Power Fund, LP – August 14, 2008 – Annual Fee, 2008 - \$12,500.00
USPF II Institutional Fund, LP – August 14, 2008 – Annual Fee, 2008 - \$20,000.00

TOTAL - \$1,609,418.53

Yeas – Trustees Fischer, Glaser, Kneeshaw, Milton and Chairperson Leavey – 5

Nays – None

REFUND OF ACCUMULATED CONTRIBUTIONS
LIST NO. 6873 – Amount: \$693,186.60

By: Trustee Kneeshaw – Supported By: Trustee Milton

RESOLVED, that the contributions to the Annuity Savings Fund by members of the General Retirement System, as set forth on List No. 6873 in the amount of \$693,186.60 including interest, be REFUNDED, pending audit by Retirement Systems' Accounting Staff as reflected.

Yeas – Trustees Fischer, Glaser, Kneeshaw, Milton and Chairperson Leavey – 5

Nays – None

ASSISTANT EXECUTIVE SECRETARY'S REPORT

CAPITAL CALLS

Re: RLJ Lodging - \$137,783.00

By: Trustee Fischer – Supported By: Trustee Kneeshaw

WHEREAS, the Board has been presented with a communication dated August 15, 2008 from RLJ Lodging Fund II wherein a Capital Call request is made in the amount of \$137,783.00, 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 – Trustees Fischer, Glaser, Kneeshaw, Milton and Chairperson Leavey – 5

Nays – None

Re: Syndicated Communications Venture Partners V, L.P. - \$136,153.00

By: Trustee Fischer – Supported By: Trustee Kneeshaw

WHEREAS, the Board has been presented with a communication dated August 18, 2008 from Syndicated Communications Venture Partners V, L.P. wherein a Capital Call request is made in the amount of \$136,153.00, therefore be it

ASSISTANT EXECUTIVE SECRETARY'S REPORT (cont'd)

CAPITAL CALLS

Re: Syndicated Communications Venture Partners V, L.P. - \$136,153.00 (cont'd)

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

Yeas – Trustees Fischer, Glaser, Kneeshaw, Milton and Chairperson Leavey – 5

Nays – None

Re: Billing Payment Requests

By: Trustee Glaser – Supported By: Trustee Kneeshaw

WHEREAS, the Board of Trustees is 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, therefore be it

RESOLVED, that subject to staff audit, the Board approves payment of said invoices as reflected below:

FIRM OR INDIVIDUAL, DATE, AMOUNT, SERVICE(S) PROVIDED

Aronson Johnson Ortiz – August 11, 2008 - \$11,582.00 – Management Fees, 2nd Quarter 2008
The Bank of New York – August 13, 2008 - \$50,659.31 – Custodial Fees, 2nd Quarter 2008
The Bank of New York – August 13, 2008 - \$9,520.00 – Transaction Fees
Capozzoli Advisors – August 20, 2008 - \$70,548.00 – Management & Servicing Fees, August 2008
The Edgar Lomax Company – July 22, 2008 - \$53,561.44 – Management Fees, 2nd Quarter 2008
Gabriel Roeder Smith & Company – August 4, 2008 - \$6,250.00 – Actuarial Services, August 2008
Globalt Incorporated – July 29, 2008 - \$81,452.29 – Management Fees, 2nd Quarter 2008
Globeflex Capital, L.P. – July 30, 2008 - \$126,116.50 – Management Fees, 2nd Quarter 2008
J.P. Morgan Investment Management – July 1, 2008 - \$8,255.86 – Management Fee, Acct. 171280, 1st Quarter 2008
J.P. Morgan Investment Management – July 28, 2008 - \$8,269.43 – Management Fee, Acct. 171280, 2nd Quarter 2008
Mellon Capital – August 7, 2008 - \$146,487.16 – Management Fees, 2nd Quarter 2008
Orleans Capital Management – July 21, 2008 - \$133,664.01 – Management Fees, 2nd Quarter 2008 (ENERGY Fund)
Palisades Investment Partners, LLC – July 9, 2008 - \$49,815.02 – Management Fees, 2nd Quarter 2008
Pyramis Global Advisors Trust Company – July 10, 2008 - \$39,095.00 – Management Fees, 2nd Quarter 2008
RhumbLine – Lehman – July 9, 2008 - \$3,116.49 – Management Fee, 2nd Quarter Index Fund – L811
RhumbLine – Lehman – July 9, 2008 - \$7,370.67 – Management Fee, 2nd Quarter Index Fund – L850
RhumbLine – Lehman – July 9, 2008 - \$713.90 – Management Fee, 2nd Quarter Index Fund – L860

ASSISTANT EXECUTIVE SECRETARY'S REPORT (cont'd)

Re: Billing Payment Requests (cont'd)

FIRM OR INDIVIDUAL, DATE, AMOUNT, SERVICE(S) PROVIDED

Transamerica Investment Management – July 8, 2008 - \$36,257.00 – Management Fees, 2nd Quarter 2008
TT International – January 30, 2008 - \$179,983.13 – Management Fee, 4th Quarter 2007
TT International – April 21, 2008 - \$164,242.24 – Management Fee, 1st Quarter 2008
TT International – August 4, 2008 - \$167,942.21 – Management Fee, 2nd Quarter 2008
Westfield Capital Management – August 18, 2008 - \$205,290.65 – Management Fees, 2nd Quarter 2008
Ronald Zajac, P.C. – August 20, 2008 - \$18,251.28 – Legal Services, August 2008, Adjustment July 2008

FIRM OR INDIVIDUAL, DATE, AMOUNT/GRS TOTAL, SERVICE(S) PROVIDED

Forms Trac Enterprises, Inc. – July 30, 2008 - \$96.11/\$48.05 – Business Cards
Gene Kohut – August 14, 2008 - \$20,000.00/\$10,000.00 – Trustee of Estate of Winstar Communications, LLC
McTevia & Associates, LLC – August 16, 2008 - \$4,665.00/\$2,332.50 – Legal Fees for TradeWinds
Quill Corporation – July 28, 2008 - \$49.14/\$24.54 – Office Supplies
Quill Corporation – July 28, 2008 - \$485.83/\$242.91 – Office Supplies

Yeas – Trustees Fischer, Glaser, Kneeshaw, Milton and Chairperson Leavey – 5

Nays – None

PRE-EMPLOYMENT MILITARY SERVICE CREDIT

Re: Rubin N. Mann – No. 172900 – Public Works

By: Trustee Glaser - Supported By: Trustee Fischer

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 54-5-3-b** 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:

Rubin N. Mann
Pension #172900
S.S. # 5520
From: June 5, 1967 to March 22, 1970

ASSISTANT EXECUTIVE SECRETARY'S REPORT (cont'd)

PRE-EMPLOYMENT MILITARY SERVICE CREDIT

Re: Rubin N. Mann – No. 172900 – Public Works (cont'd)

Yeas – Trustees Fischer, Glaser, Kneeshaw, Milton and Chairperson Leavey – 5

Nays – None

MINUTES FOR APPROVAL

Re: Meeting No. 3747 – June 18, 2008

By: Trustee Fischer - Supported By: Trustee Milton

RESOLVED, that the General Retirement System Minutes of Meeting No. 3747 held on Wednesday, June 18, 2008 hereby be APPROVED as recorded and submitted.

Yeas – Trustees Fischer, Glaser, Kneeshaw, Milton and Chairperson Leavey – 5

Nays – None

Re: Meeting No. 3750 – July 9, 2008

By: Trustee Fischer - Supported By: Trustee Milton

RESOLVED, that the General Retirement System Minutes of Meeting No. 3750 held on Wednesday, July 9, 2008 hereby be APPROVED as recorded and submitted.

Yeas – Trustees Fischer, Glaser, Kneeshaw, Milton and Chairperson Leavey – 5

Nays – None

Re: Recording Secretary Vacancy

The Board inquired about the status of filling the vacancy for Recording Secretary for the Retirement Systems. The Assistant Executive Secretary reported that his attempts to communicate with Human Resources have been unsuccessful. The Board is willing to send a letter to Human Resources regarding this matter, if necessary.

ASSISTANT EXECUTIVE SECRETARY'S REPORT (cont'd)

Re: Defined Contribution Plan

A letter from Dennis Linet of Information Technology was distributed to the Board. All programming is complete. Changes to PPS need to be tested.

Re: Loan Provision Update

Trustees Fischer and Kneeshaw, Dennis Linet, Walter Stampor and Myron Terrell met yesterday (August 19, 2008) regarding the loan provision. A package of rules will be distributed next week (minor revisions to be made).

- ❖ *Trustee Clark joined the meeting at 10:02 a.m.*
- ❖ *Trustee Gracia joined the meeting at 10:03 a.m.*
- ❖ *Dr. Reginald O'Neal joined the meeting at 10:05 a.m.*

CLOSED SESSION

By: Trustee Glaser – Supported By: Trustee Gracia

RESOLVED, that the Board enter into Closed Session for the purpose of discussing a personnel Attorney/Client privileged matter.

Yeas – Trustees Clark, Fischer, Glaser, Gracia, Kneeshaw, Milton and
Chairperson Leavey – 7

Nays – None

- *The Board went into Closed Session at 10:05 a.m.*
- ❖ *Trustee Anthony joined the meeting during the report on Doris Knight.*

CLOSED SESSION-ENDING

By: Trustee Kneeshaw – Supported By: Trustee Clark

RESOLVED, that the Board come out of Closed Session discussion.

Yeas – Trustees Anthony, Clark, Fischer, Glaser, Gracia, Kneeshaw, Milton and
Chairperson Leavey – 8

Nays – None

- *The Board came out of Closed Session at 10:30 a.m.*

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 DISABILITY

Re: Doris Knight – No. 225476 – Health – Duty

By: Trustee Gracia – Supported By: Trustee Fischer

RESOLVED, that the report of the Medical Director on the case of Doris Knight be ACCEPTED, and

RESOLVED, that based on the recommendation of the Medical Director the Board DENIES the application for Duty Disability Retirement filed by Ms. Knight.

Yeas – Trustees Clark, Fischer, Glaser, Gracia, Kneeshaw, Milton and
Chairperson Leavey – 7

Nays – None

Abstention – Trustee Anthony – 1

ANNUAL RE-EXAMINATIONS

By: Trustee Kneeshaw – Supported By: Trustee Clark

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

Barbara Ayers
Keith Carter
Celia M. Edwards

Aaron N. Jones
Beverly R. Smith
Malcolm R. Smith

and be it further,

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

Michael James
Clarence Rice
Bernard Simpson
Jonathan West
Robert Willis

Yeas – Trustees Anthony, Clark, Fischer, Glaser, Gracia, Kneeshaw, Milton and
Chairperson Leavey – 8

Nays – None

❖ *Dr. O'Neal was thereupon excused from the meeting at 10:30 a.m.*

ASSISTANT EXECUTIVE SECRETARY'S REPORT (cont'd)

Re: Loan Provision Update

Discussions resumed. A Question & Answer booklet will be prepared and included in next week's packet for discussion and to make a decision for acceptability. The Board agreed that communication needs to be sent to the unions. Chairperson will handle.

❖ *The Board meeting recessed at 11:17 a.m. and was called back to order at 11:31 a.m.*

❖ *Trustee Clark was excused for the remainder of the meeting during recess.*

LEGAL COUNSEL'S REPORT

The Board's Legal Counsel discussed the following matters with the Board and provided copies of the documents indicated below:

Conference Call

A conference call was held with Jim Vlastic of Bodman to discuss Educational Technologies Inc. and potential waiver of conflict issue. Mr. Vlastic recommended that the Board consider referring this case to a contingent collection firm; otherwise he would handle for \$200.00/hour.

Re: Educational Technologies, Inc.

By: Trustee Glaser – Supported By: Trustee Fischer

WHEREAS, the Board is in receipt of a letter from special legal counsel, James J. Vlastic of Bodman LLP dated August 5, 2008 wherein special legal counsel recommends that the file be referred to a collection agency on a contingency basis for the reasons stated in said August 5, 2008 letter, and

WHEREAS, Bodman LLC will provide the names of additional collection firms for the Board's consideration, therefore be it

RESOLVED, that the Board APPROVES the aforesaid recommendation, and be it further

RESOLVED, that the Board consider a number of collection firms prior to deciding on the selection of a collection firm, and be it further

RESOLVED, that a copy of this resolution be forwarded to Bodman LLC, Attn: James J. Vlastic.

Yeas – Trustees Anthony, Fischer, Glaser, Gracia, Kneeshaw, Milton and
Chairperson Leavey – 7

Nays – None

Re: Mayor's Invitation to Attend Meeting

Trustee Milton reported that due to a conflict of interest, the Mayor would be unable to attend an Employees Benefit Plan meeting. The Board inquired about the issue involving retirees issue and health benefits, critical. Trustee Fischer informed the Board that Barbara Wise-Johnson called him Saturday night and said that she received no instructions telling her not to take action. Mr. VanOverbeke will prepare the lawsuit. Trustee Milton will communicate with the Mayor and bring back a response next week.

Trustee Gracia reminded the Board that a MOTION was made at last week's Employees Benefit Meeting that if something wasn't done by today, Mr. VanOverbeke would take action legally.

LEGAL COUNSEL'S REPORT (cont'd)

Re: Audit for 2007-2008 Fiscal Year

By: Trustee Gracia – Supported By: Trustee Anthony

WHEREAS, the Board notes that its agreement for audits for a five year period with Plante Moran expired on June 30, 2007 and is in receipt of a proposal from Plante Moran dated August 8, 2008, and

WHEREAS, the Board does not wish to delay the audit for the 2007-2008 fiscal year and understands that Plante Moran has begun preliminary review for the 2007-2008 audit in anticipation of being selected by the Board of Trustees for said audit, and be it further

RESOLVED, that Plante Moran is selected to perform the audit for the 2007-2008 fiscal year audit consistent with the fees indicated in the August 8, 2008 letter, the final fee to be negotiated by the Executive Secretary, and be it further

RESOLVED, that Plante Moran proceed forthwith to complete said audit, and further

RESOLVED, that a copy of this resolution be immediately forwarded to Plante Moran.

Yeas – Trustees Anthony, Fischer, Glaser, Gracia, Kneeshaw, Milton and
Chairperson Leavey – 7

Nays – None

LEGAL COUNSEL'S REPORT (cont'd)

Re: Audit for the Five Year Period Beginning July 1, 2008

By: Trustee Fischer – Supported By: Trustee Kneeshaw

RESOLVED, that the Executive Secretary obtain proposals from various auditing firms including Plante Moran for the five year period beginning July 1, 2008.

Yeas – Trustees Anthony, Fischer, Glaser, Gracia, Kneeshaw, Milton and
Chairperson Leavey – 7

Nays – None

Re: Gabriel Roeder Smith & Company

By: Trustee Gracia – Supported By: Trustee Glaser

WHEREAS, the Board is in receipt of documentation from Gabriel Roeder Smith & Company dated August 7, 2008 regarding Equated Option Ages,

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

RESOLVED, that the recommended changes to the Equated Option Ages become effective September 1, 2008 .

Yeas – Trustees Anthony, Fischer, Glaser, Gracia, Kneeshaw, Milton
and Chairperson Leavey – 7

Nays – None

Re: BNY Global Transition Management (BNYGTM)

By: Trustee Gracia – Supported By: Trustee Anthony

WHEREAS, the Board has been requested to execute the following document: BNY Global Transition Management Agreement dated August 18, 2008 regarding liquidation of Seneca portfolio relative to the aforesaid transaction, and

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

LEGAL COUNSEL'S REPORT (cont'd)

Re: BNY Global Transition Management (BNYGTM) – cont'd

WHEREAS, the execution of said document has been reviewed and approved by the Retirement System Investment Analyst 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, and be it 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, Fischer, Glaser, Gracia, Kneeshaw, Milton and
Chairperson Leavey – 7

Nays – None

Re: PITG

Legal counsel reported that the transaction for the Don Barden Casino was closed yesterday. A wire transfer of \$562,000.00 should have been received by each Board.

Re: Federal I.D. No. 38-7457952

By: Trustee Gracia - Supported By: Trustee Anthony

WHEREAS, the General Retirement System of the City of Detroit has been using federal identification number 38-7457952 on all filings with and regarding the Internal Revenue Service ("IRS"), and

WHEREAS, it has come to the Board's attention per its custodial bank (Bank of New York Mellon) that the IRS lists "City of Detroit Board of Ttees General Retirement System Pensn P" as the holder of Federal I.D. No. 38-7457952, and

WHEREAS, the Executive Secretary (Walter Stampor) of the General Retirement System per letter dated July 14, 2008 has requested the IRS to correct its records to reflect that the "General Retirement System of the City of Detroit" is the holder of Federal I.D. No. 38-7457952, and

WHEREAS, the General Retirement System of the City of Detroit is in receipt of a letter from the IRS dated July 23, 2008 in response to Mr. Stampor's letter dated July 14, 2008, and

LEGAL COUNSEL'S REPORT (cont'd)

Re: Federal I.D. No. 38-7457952

WHEREAS, the Board of Trustees is desirous of providing all information required by the Internal Revenue Service to correct IRS records to indicate the "General Retirement System of the City of Detroit" is the holder of Federal I.D. No. 38-7457952, therefore be it

RESOLVED, that the Board of Trustees reaffirms that its Executive Secretary is Walter Stampor, and

RESOLVED, that the General Retirement System of the City of Detroit has been historically and uniformly using the Federal I.D. No. of 38-2457952, and

RESOLVED, that the IRS is requested to correct its records to replace "City of Detroit Board of Ttees General Retirement System Pensn P" with the correct name of "General Retirement System of the City of Detroit" with the Federal I.D. No. of 38-2457952, and further

RESOLVED, that the following be forwarded to the IRS at Cincinnati, Ohio 45999, Attn: ENTITY:

1. Copy of this August 20, 2008 resolution;
2. Copy of letter dated July 14, 2008 from the Executive Secretary (Walter Stampor) to the IRS;
3. Copy of letter dated July 23, 2008 from the IRS to the General Retirement System.

RESOLVED, that the Executive Secretary forward a transmittal letter to the IRS regarding these matters.

Yeas – Trustees Anthony, Fischer, Glaser, Gracia, Kneeshaw, Milton and
Chairperson Leavey – 7

Nays – None

Re: KKO Development, LLC/TKB Development, LLC/Kona, Hawaii

By: Trustee Gracia – Supported By: Trustee Fischer

WHEREAS, the Board of Trustees is in receipt of an offer per letter dated August 7, 2008 which is self explanatory, and

WHEREAS, the Board of Trustees is in receipt of a report from Banyan Realty Advisors LLC, the Retirement System's consultant/advisor regarding this matter, and

LEGAL COUNSEL'S REPORT (cont'd)

Re: KKO Development, LLC/TKB Development, LLC/Kona, Hawaii (cont'd)

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

RESOLVED, that the Board REJECTS the offer from borrowers, and be it further

RESOLVED, that Banyan and special counsel, F. Logan Davidson inform special Hawaii legal counsel Wayne Mau regarding this matter who is directed to proceed with the foreclosure process, and be it further

RESOLVED, that a copy of this resolution be forwarded to KKO Development, LLC, TKB Development, LLC, Attn: Laurence H. Smith, Banyan Realty Advisors, Attn: Lou Vogt and special legal counsel, F. Logan Davidson.

Yeas – Trustees Anthony, Fischer, Glaser, Gracia, Kneeshaw, Milton and
Chairperson Leavey – 7

Nays – None

Re: FOIA Request

Each member of the Board was given a copy the legal counsel's response to the FOIA request from Christine MacDonald of the Detroit News.

CLOSED SESSION

By: Trustee Anthony – Supported By: Trustee Kneeshaw

RESOLVED, that the Board enter into Closed Session for the purpose of discussing a personnel Attorney/Client privileged matter.

Yeas – Trustees Anthony, Fischer, Glaser, Gracia, Kneeshaw, Milton and
Chairperson Leavey – 7

Nays – None

- *The Board went into Closed Session at 12:10 p.m.*

CLOSED SESSION-ENDING

By: Trustee Kneeshaw – Supported By: Trustee Anthony

RESOLVED, that the Board come out of Closed Session discussion.

Yeas – Trustees Anthony, Fischer, Glaser, Gracia, Kneeshaw, Milton and
Chairperson Leavey – 7

Nays – None

- *The Board came out of Closed Session at 12:12 p.m.*

During closed session, legal counsel discussed TradeWinds litigation with the Board.

- ❖ *Board went into recess at 12:13 p.m.*
- ❖ *Catherine Konicki and Kim Kaczor from NEPC joined the meeting during recess.*
- ❖ *Meeting was called back to order at 12:35 p.m. Attendance was as follows: Trustees Anthony, Fischer, Glaser, Kneeshaw, Milton and Chairperson Leavey.*
- ❖ *Trustee Gracia returned to the meeting at 12:52 p.m.*
- ❖ *Mr. Tim McCusker of NEPC joined the meeting.*

PRESENTATION

New England Pension Consultants

Ms. Catherine Konicki and Ms. Kim Kaczor of New England Pension Consultants (NEPC) appeared before the Board to present the second quarter performance report, first quarter private equity report, asset/liability study and investment manager reports/updates.

Re: New England Pension Consultants

By: Trustee Gracia – Supported By: Trustee Glaser

WHEREAS, New England Pension Consultants (NEPC), the Board's retained consultant, has appeared on this date to present the second quarter performance report, first quarter private equity report, asset/liability study and investment manager reports/updates, and

WHEREAS, the Board has discussed the foregoing at length with NEPC, and

WHEREAS, NEPC has recommended that the Board consider expanding the scope of its asset allocation to the global tactical asset allocation (GTAA) strategy currently managed solely by Mellon Capital management, therefore be it

RESOLVED, that NEPC be directed to conduct a search for an additional GTAA manager to complement the investment style of Mellon Capital Management.

Yeas – Trustees Anthony, Fischer, Glaser, Gracia, Kneeshaw, Milton and
Chairperson Leavey – 7

Nays – None

❖ *Representatives from NEPC were thereupon excused.*

OLD BUSINESS

Re: MMA vs. Walker & Dunlop

Paul Bernard's recommendation was for the Board to request a copy of MMA's Action Plan. Afterward, Townsend and the Investment Analyst to review update. After internal information is gathered, a selection can be made. Mr. Bernard was to forward a written letter outlining his recommendations.

Re: North Point Advisors

At the direction of the Chair, staff is hereby directed to schedule Adrian Anderson from North Point Advisors to appear before the Board of Trustees on Tuesday, August 26, 2008 to report on Real Times.

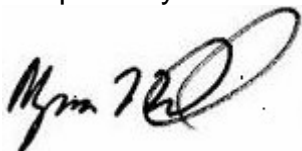
Re: Legal Action – Labor Relations Division

The Board made the decision not to pursue legal action against the Labor Relations Division regarding disability benefits for retirees.

ADJOURNMENT

There being no further business to come before the Board of Trustees, the General Retirement System Board meeting hereby adjourned at 2:47 p.m. until Tuesday, August 26, 2008 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, appearing to read "Myron T. Terrell". The signature is stylized with a large, sweeping loop at the end.

Myron T. Terrell
Assistant Executive Secretary