

MEETING NUMBER 3797

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



PROCEEDINGS HELD WEDNESDAY, JUNE 3, 2009
9:00 A.M.

IN THE CONFERENCE ROOM OF THE RETIREMENT SYSTEMS
910 COLEMAN A. YOUNG MUNICIPAL CENTER
DETROIT, MICHIGAN 48226



PRESENT

Wendell Anthony	Trustee
David Clark	Trustee
Sheila Cockrel	Ex-Officio Trustee & Council Member
Cedric Cook	Trustee
Gerald Fischer	Trustee & Vice-Chairperson
Susan Glaser	Trustee
Ronald Gracia	Trustee
Sheila Kneeshaw	Trustee & Chairperson
Timothy Ngare	Ex-Officio Trustee & Treasurer
Walter Stampor	Executive Secretary
Myron T. Terrell	Assistant Executive Secretary
Ronald Zajac	Legal Counsel
Rita Coats	Recording Secretary

EXCUSED

Stephanie Milledge	Ex-Officio Trustee
Richard Huddleston	Investment Analyst

ABSENT

None

CHAIRPERSON

Sheila W. Kneeshaw

VICE-CHAIRPERSON

GERALD FISCHER

ROLL CALL WAS TAKEN AT 9:34 A.M. AND CHAIRPERSON S. KNEESHAW CALLED THE MEETING TO ORDER.

SERVICE RETIREMENT

BY TRUSTEE FISCHER – SUPPORTED BY TRUSTEE GLASER

RESOLVED, that the **EARLY RETIREMENT** request which is designated below be approved:

YEAS: TRUSTEES CLARK, COCKREL, COOK, FISCHER, GLASER, GRACIA, NGARE, AND CHAIRPERSON S. KNEESHAW - 8

NAYS: NONE

EARLY RETIREMENT

NAME, TITLE, DEPARTMENT	Rashid Abdul-Ghani – Plant Equipment Operation Mechanic – Water & Sewerage
SERVICE CREDIT	26-02
EFFECTIVE DATE	06-22-08

CHANGE OF COMPUTATION FROM DUTY DISABILITY TO SERVICE
RETIREMENT

BY TRUSTEE GLASER – SUPPORTED BY TRUSTEE FISCHER

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

**CHANGE OF COMPUTATION FROM
DUTY DISABILITY TO SERVICE RETIREMENT (CON'T)**

NAYS: NONE

REFUNDS OF ACCUMULATED CONTRIBUTIONS
LIST NO. 6911 – Amount: \$3,668,106.04.

BY TRUSTEE GLASER – SUPPORTED BY TRUSTEE GRACIA

RESOLVED, that the contributions to the Annuity Savings Fund by members of the General Retirement System, as set forth on List No. 6911 in the amount of **\$3,668,106.04**, including interest, be REFUNDED, pending audit by the Retirement Systems' Accounting Staff as reflected.

YEAS: TRUSTEES CLARK, COCKREL, COOK, FISCHER, GLASER, GRACIA,
NGARE, AND CHAIRPERSON S. KNEESHAW - 8

NAYS: NONE

ASSISTANT EXECUTIVE SECRETARY'S REPORT

CAPITAL CALLS

Re: Capital Point – \$1,215,384.61

BY TRUSTEE FISCHER – SUPPORTED BY TRUSTEE GRACIA

WHEREAS, the Board has been presented with a communication dated May 26, 2009, from Capital Point wherein a Capital Call request is made in the amount of **\$1,215,384.61**, 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 CLARK, COCKREL, COOK, FISCHER, GLASER, GRACIA,
NGARE, AND CHAIRPERSON S. KNEESHAW - 8

NAYS: NONE

Re: Oracle Capital - \$1,485,000.00

BY TRUSTEE FISCHER – SUPPORTED BY TRUSTEE GRACIA

WHEREAS, the Board has been presented with a communication dated June 12, 2009, from Oracle Capital wherein a Capital Call request is made in the amount of **\$1,485,000.00**, 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 CLARK, COCKREL, COOK, FISCHER, GLASER, GRACIA,
NGARE, AND CHAIRPERSON S. KNEESHAW - 8

NAYS: NONE

Re: Billing Payment Requests

By Trustee Gracia – Supported by Trustee Cook

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:

MANAGEMENT FEES:

Mellon Capital Management 05/21/09 – Asset Mgmt Fees/1st Qtr 2009 - \$90,098.20.

Prudential Prisa 04/14/09 – Asset Mgmt Fees – 1st Qtr 2009 - \$55,041.21.

TransAmerica-PITG Asset – Asset Mgmt Fees – 1st Qtr 2009 - \$31,077.94.

LEGAL FEES/EXPENSES:

ADP 05/29/09 – Payroll Services - \$9.00.

CapAdvisors 05/29/09 – Acumen Corp – GRS Sahara Corp. Susan

Frankewich \$2,179.68.

CapAdvisors – 05/29/09 – Acumen Corp – GRS Sahara Corp. Ct Corp.

\$270.00.

LEGAL FEES/EXPENSES (CON*T):

CapAdvisors – 05/29/09 – Apple Corp – CT Corp Muije & Vaicchio - \$362.51.

IT Programmers Payroll 05/31/09 – 05/09 Salaries - \$98,838.92.

L. Walker 06/01/09 – Legal Services – May – 2009 - \$3,651.70.

Office Depot 05/23/09 – Office Supplies - \$23.99.

Office Depot 05/22/09 – Office Supplies - \$349.91.

PDS – 04/30/09 – Computer Service and Maintenance Agreement -
\$3,320.50.

Total Disbursements for Board Approval: \$2,985,608.17.

YEAS: TRUSTEES CLARK, COCKREL, COOK, FISCHER, GLASER, GRACIA,
NGARE, AND CHAIRPERSON S. KNEESHAW - 8

NAYS: NONE

Re: CHANGE OF OPTION form

The Board was given a “Draft” Option Change form to review for revisions.

* Trustee **Wendell Anthony** joined the meeting at 10:05 a.m.

Re: BANYAN REALTY ADVISORS LLC

The Board was given copies of correspondence concerning the above investors. BRM Trust Holdings, LLC – Affordable Apartment Portfolio – in regards to a proposal to refinance the current GRS loan.

Re: MMA

The Board discussed the correspondence concerning the audit balance fund.

Re: Inheritance Capital

GM – Investment will meet with the Board next week regarding the Lease Agreement.

Re: GRS Valuation -2008

The Board of Trustees received the final General Retirement System's 70th Annual Actuarial Valuation of June 30, 2008.

LEGAL COUNSEL'S REPORT:

Re: GRS Sahara Avenue Corporation/Acumen Corporation

By: Trustee Gracia/Supported by Trustee Fischer

WHEREAS, the Board of Trustees is in receipt of a letter from Capozzoli Advisory for Pensions, Inc., dated May 29, 2009, which requests the General Retirement System to wire transfer the amount of \$2,179.68 to CAP Advisors for payment to Susan Frankewich Ltd. for legal services.

RESOLVED, that the amount of \$2,179.68 be wire transferred to Capozzoli Advisory for Pensions, Inc. for payment as indicated above.

RESOLVED, that a copy of this resolution be forwarded to Capozzoli Advisory for Pensions, Inc., Attn: Matthew L. Byron and the General Retirement System accounting staff.

YEAS: Trustees Anthony, Clark, Cockrel, Cook, Fischer, Glaser, Gracia, Ngare, and Chairperson S. Kneeshaw – 9

NAYS: None

Re: GRS Sahara Avenue Corporation/Apple Investment

By: Trustee Gracia/Supported by Trustee Fischer

WHEREAS, the Board of Trustees is in receipt of a letter from Capozzoli Advisory for Pensions, Inc., dated May 29, 2009, which requests the General Retirement System to wire transfer the amount of \$362.51 to CAP Advisors for payment to Muije & Varricchio for legal services.

RESOLVED, that the amount of \$362.51 be wire transferred to Capozzoli Advisory for Pensions, Inc. for payment as indicated above.

RESOLVED, that a copy of this resolution be forwarded to Capozzoli Advisory for Pensions, Inc., Attn: Matthew L. Byron and the General Retirement System accounting staff.

YEAS: Trustees Anthony, Clark, Cockrel, Cook, Fischer, Glaser, Gracia, Ngare and Chairperson S. Kneeshaw – 9

NAYS: None

Re: Coletta Estes

The Board of Trustees received a copy of an Order Restraining the Destruction of Documents filed by the above Plaintiff.

Re: Freedom of Information Act (FOIA)

The FOIA statute must be retained for one (1) year. The Detroit Free Press filed an Addendum to Defendants' Brief in Opposition to Plaintiff's Motion for Summary Disposition to provide this Court with information for travel records.

- ❖ **CHAIRPERSON S. KNEESHAW** left the meeting for the day at 10:30 a.m.
- ❖ **VICE-CHAIRPERSON GERALD FISCHER** chaired the meeting in her stead at 10:31 a.m.

RE: FUTURE PRESS RELEASES AND DISSEMINATIONS OF INFORMATION TO RETIREMENT SYSTEM MEMBERS AND RETIREES

BY: Trustee Glaser/Supported by Trustee Clark

WHEREAS, the Board deems it appropriate to retain a professional public relations personnel to assist the Board of Trustees regarding these matters; therefore be it

RESOLVED, that the Board of Trustees seeks candidates to fill the aforesaid position and retain such professional public relations person to assist the Board of Trustees regarding these matters subject to documentation approved by the Board of Trustees and its general counsel, and

RESOLVED, that the duties of such a professional person will be determined after further discussion with the Board of Trustees; therefore be it

RESOLVED, that the Trustees, Executive Secretary staff, and General Counsel suggests candidates for the foregoing position.

YEAS: TRUSTEES ANTHONY, CLARK, COCKREL, COOK, GLASER, GRACIA,
NGARE AND VICE-CHAIRPERSON FISCHER – 8

NAYS: NONE

Re: Annuity Program – First Independence Bank (FIB)

The Board would like for FIB to prepare a slide program presentation concerning the Annuity Program, such as, filling out the application and to have a weekly/biweekly report to report back to the Board of Trustees with up-to-date issues surrounding this program.

* The Board of Trustees adjourned to a five-minute break at 10:50 a.m.

* The meeting was called back to order at 11:00 a.m.

PRESENTATION

Re: N.E.P.C.

Representative Catherine Konicki, Doris Ewing, and Kim Kaczor appeared before the Board to provide an updated transition schedule – June Withdrawals and Quarterly Reporting Market Graphs – performance through May 29, 2009.

At the request of the Trustees, NEPC has provided a schedule of the redemption policies for the System's managers in order to help plan redemptions for the liquidity needs of the fund.

RE: GMO – REDEMPTION

BY: TRUSTEE GRACIA/SUPPORTED BY TRUSTEE ANTHONY

Whereas, the Board has taken previous action to request a redemption of \$5,000,000.00 from GMO, and

Whereas, the Board under the recommendation of the Board's retained consultant New England Pension Consultants (NEPC) has decided to rescind said request; therefore be it

Resolved, that GMO be notified that the Board is rescinding its request for redemption of \$5,000,000.00, and be it further

Resolved, that a copy of this resolution be sent to all parties affected as well as the Bank of New York Mellon Asset Servicing, the Boards master securities custodian.

YEAS: TRUSTEES ANTHONY, CLARK, COCKREL, COOK, GLASER, GRACIA
NGARE, AND VICE-CHAIRPERSON FISCHER – 8

NAYS: NONE

* The meeting was adjourned for lunch at 12:00 p.m.

* The meeting was called back to order at 12: 41 p.m.

Re: NEPC (Revised Schedule – June Withdrawals)

By Trustee Gracia/Supported by Ngare

RESOLVED, that NEPC will start sending monthly report for redemption fee (wire) without fee less than \$250 a week.

YEAS: TRUSTEES ANTHONY, CLARK, COCKREL, COOK, GLASER, GRACIA
NGARE, AND VICE-CHAIRPERSON FISCHER – 8

NAYS: NONE

* The meeting adjourned for a 20 minute break at 2:00 p.m.

* The meeting was called back to order at 2:20 p.m.

Re: Clark Hill (FOIA) Request

The Board received a copy of a check paid by Jennifer B. Dixon, the Detroit Free Press, Inc. for \$47.00 to Clark Hill requesting FOIA for travel records regarding GRS and PFRS, the employment, compensation and travel and expense reimbursement for Mr. Ronald Zajac, General Counsel and fund managers retained by the GRS and PFRS.

Each Board member received copies that were attached to the FOIA request.

* Trustee **Timothy Ngare** stepped out of the meeting at 2:50 p.m. and did

not return back to the meeting.

Re: Amendment to Travel

The Board has suggested that an amendment to the General Retirement System's Travel policy to be revised.

* Trustee **Wendell Anthony** will be excused next Wednesday.

Re: Veteran's Day

Veteran's Day falls on a Wednesday, therefore, the General Retirement System will have the Trustees Board meeting on Tuesday, November 10, 2009.

ADJOURNMENT

There being no further business to come before the Board of Trustees, the General Retirement System Board meeting hereby adjourned at 2:55 p.m. until Wednesday, June 10, 2009, 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, looping flourish at the end.

Myron T. Terrell
Assistant Executive Secretary

