

MEETING NUMBER 3812

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



PROCEEDINGS HELD WEDNESDAY, SEPTEMBER 16, 2009  
(CORRECTED COPY)

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
Alvin Brooks	Trustee
David Clark	Trustee
Sheila Cockrel	Ex-Officio Trustee & Council Member
Cedric Cook	Trustee
Susan Glaser	Trustee
Ronald Gracia	Trustee & Vice Chairman
Cheryl Johnson	Ex-Officio Trustee & Treasurer
Sheila Kneeshaw	Trustee & Chairperson
Walter Stampor	Executive Secretary
Myron T. Terrell	Assistant Executive Secretary
Ronald Zajac	Legal Counsel
Reginald O'Neal	Medical Director
Rita Coats	Recording Secretary (GRS)

EXCUSED

Richard Huddleston	Investment Analyst
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ABSENT

None

CHAIRPERSON

S. KNEESHAW

ROLL CALL WAS TAKEN AT 9:20 A.M. AND CHAIRPERSON S. KNEESHAW CALLED THE MEETING TO ORDER.

SERVICE RETIREMENTS

By Trustee Cockrel/Supported by Trustee Clark

RESOLVED, that the Service Retirement applications which are outlined below be hereby APPROVED:

Yeas: Trustee Brooks, Clark, Cockrel, Cook, Glaser, Johnson, and  
Chairperson S. Kneeshaw - 7

Nays: None

**SERVICE RETIREMENTS**

NAME, TITLE, DEPARTMENT  
SERVICE CREDIT  
EFFECTIVE DATE

Ronald R. Barnett – TEO - Transportation  
31-08  
08-14-09

NAME, TITLE, DEPARTMENT  
SERVICE CREDIT  
EFFECTIVE DATE

Edward J. Garbarino – General Auto Mechanic  
- Transportation  
32-01  
07-18-09

NAME, TITLE, DEPARTMENT  
SERVICE CREDIT  
EFFECTIVE DATE

Surendra C. Joshi – Analytical Chemist – Water  
& Sewerage  
28-02  
08-15-09

NAME, TITLE, DEPARTMENT  
SERVICE CREDIT  
EFFECTIVE DATE

Daniel Lopez – Asst Chief of HSN PL I – Building  
& Safety  
32-11  
07-30-09

NAME, TITLE, DEPARTMENT  
SERVICE CREDIT  
EFFECTIVE DATE

Lonnie Lumley – Water Systems Foreman –  
Water & Sewerage  
31-0  
08-01-09

**SERVICE RETIREMENTS (CON'T)**

NAME, TITLE, DEPARTMENT	Beverly A. Welch – Comrcl Ops Specialist II – Water & Sewerage
SERVICE CREDIT	30-03
EFFECTIVE DATE	08-15-09

NAME, TITLE, DEPARTMENT	Dennis Williams – Senior Clerk – Information Technology Services
SERVICE CREDIT	25-08
EFFECTIVE DATE	08-07-09

**EARLY RETIREMENT**

**By Trustee Clark/Supported by Trustee Johnson**

RESOLVED, that the Early Retirement application which is outlined below be hereby APPROVED:

Yeas: Trustee Brooks, Clark, Cockrel, Cook, Glaser, Johnson, and  
Chairperson S. Kneeshaw - 7

Nays: None

**EARLY RETIREMENT**

NAME, TITLE, DEPARTMENT	Laurie Prybys – Sr. Asst Civil Eng-WS – Water & Sewerage
SERVICE CREDIT	28-11
EFFECTIVE DATE	04-01-09

**VESTED RETIREMENT**

**By Trustee Cockrel/Supported by Trustee Clark**

RESOLVED, that the Vested Retirement application which is outlined below be hereby APPROVED:

Yeas: Trustee Brooks, Clark, Cockrel, Cook, Glaser, Johnson, and  
Chairperson S. Kneeshaw - 7

Nays: None

**VESTED RETIREMENT (Con't)**

NAME, TITLE, DEPARTMENT	Michelle S. Peplin – Art MSM Registrar II - Arts
SERVICE CREDIT	14-01
EFFECTIVE DATE	08-01-09

**CHANGE OF COMPUTATION FROM DISABILITY**

**By Trustee Clark/Supported by Trustee Cockrel**

RESOLVED, that the following Change of Computation from Duty-Disability to Service Retirement applications be hereby APPROVED, as submitted and reflected below.

Yeas: Trustee Brooks, Clark, Cockrel, Cook, Glaser, Johnson, and  
Chairperson S. Kneeshaw - 7

Nays: None

**CHANGE OF COMPUTATION FROM DISABILITY TO SERVICE RETIREMENT**

NAME, TITLE, DEPARTMENT	Leo Banks, Jr. – TEO - Transportation
SERVICE CREDIT	30-07
EFFECTIVE DATE	07-01-09

NAME, TITLE, DEPARTMENT	Marvis Boykin – Office Assistant II – Employment & Training
SERVICE CREDIT	23-01
EFFECTIVE DATE	08-30-09

NAME, TITLE, DEPARTMENT	Glenn Bradford – RCPO - DPW
SERVICE CREDIT	24-09
EFFECTIVE DATE	08-29-09

NAME, TITLE, DEPARTMENT	Robert B. Brosowski – Street Light Maintenance Worker – Public Lighting
SERVICE CREDIT	31-07
EFFECTIVE DATE	09-10-09

NAME, TITLE, DEPARTMENT	Sampson B. Brown – Senior Accountant – Planning & Development
SERVICE CREDIT	21-05
EFFECTIVE DATE	08-12-09

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

NAME, TITLE, DEPARTMENT	Thomas M. Gray – Asst. Storekeeper – Water & Sewerage
SERVICE CREDIT	30-0
EFFECTIVE DATE	08-01-09
NAME, TITLE, DEPARTMENT	Michael E. Johnson – TEO - Transportation
SERVICE CREDIT	24-11
EFFECTIVE DATE	09-23-09
NAME, TITLE, DEPARTMENT	Juanita Macon-Lawson – Public Health Nurse - Health
SERVICE CREDIT	24-09
EFFECTIVE DATE	08-23-09
NAME, TITLE, DEPARTMENT	Milton Standifer, Jr. – TEO - Transportation
SERVICE CREDIT	30-0
EFFECTIVE DATE	08-01-09
NAME, TITLE, DEPARTMENT	Dennis Urick – Building Inspector – Building & Safety
SERVICE CREDIT	08-0
EFFECTIVE DATE	07-01-09
NAME, TITLE, DEPARTMENT	John B. Vitton – Sr. Power Plant Operator – Building & Safety
SERVICE CREDIT	13-01
EFFECTIVE DATE	09-05-09
NAME, TITLE, DEPARTMENT	Ernest T. Witkowski – Water Systems Mechanic – Water & Sewerage
SERVICE CREDIT	30-0
EFFECTIVE DATE	08-01-09

**CONFIRMATIONS**

**By Trustee Clark/Supported by Trustee Cockrel**

RESOLVED, that the receipts and disbursements which follow be hereby CONFIRMED.

**CONFIRMATIONS**

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

THE GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT			
LIST OF RECEIPTS & DISBURSEMENTS			
FOR THE PERIOD 09/07/09 THRU 09/11/09			
REMITTOR / PAYEE NAME	DATE WIRED	DESCRIPTION	AMOUNT
<b>RECEIPTS</b>			
ADP, Inc.	09/11/09	Reimbursement	\$ 189.50
Everest Energy Fund, LLC (9.5M)	09/11/09	Distribution- Cash Proceeds	50,000.00
Paul M. McNamara	09/11/09	Annuity Refund Redeposit	180,000.00
Phyllis Davis	09/11/09	Subpoena Fees	15.00
The City of Detroit	09/11/09	Annuity Contribution	435,577.60
Westin Book Cadillac Hotel (Cadillac Funding Associates)	09/11/09	Remittance- 08/09	62,000.00
TOTAL RECEIPTS			\$ 727,782.10
<b>DISBURSEMENTS</b>			
F. Logan Davidson PC	09/11/09	Legal Fees (Due Diligence)- Re: Inheritance/ ICG	\$ (4,885.00)
First Independence Bank	09/08/09	Annuity Refunds- List #6923	(3,526,309.17)
First Independence Bank	09/08/09	Checkwrite	(209,240.42)
Syndicated Communications Venture Partners V, LP	09/09/09	Draw #36	(136,153.00)
TOTAL DISBURSEMENTS			\$ (3,876,587.59)

Yeas: Trustee Brooks, Clark, Cockrel, Cook, Glaser, Johnson, and Chairperson S. Kneeshaw - 7

Nays: None

**REFUNDS OF ACCUMULATED CONTRIBUTIONS  
LIST NO. 6925 – AMOUNT: \$1,855,470.54**

By Trustee Clark/Supported by Trustee Cockrel

RESOLVED, that the contributions to the Annuity Savings Fund by members of the General Retirement System, as set forth on List No. 6925 in the amount of **\$1,855,470.54**, including interest, be REFUNDED, pending audit by the Retirement Systems' Accounting Staff as reflected.

Yeas: Trustee Brooks, Clark, Cockrel, Cook, Glaser, Johnson, and Chairperson S. Kneeshaw - 7

Nays: None

## EXECUTIVE SECRETARY'S REPORT

### CAPITAL CALLS

Re: Syndicated Communication

By Trustee Glaser/Supported by Trustee Clark

WHEREAS, the Board has been presented with a communication dated **September 8, 2009**, from Syndicated Communication, wherein a Capital Call request is made in the amount of **\$108,922.00**, 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 Brooks, Clark, Cockrel, Cook, Glaser, Johnson, and  
Chairperson S. Kneeshaw - 7

Nays: None

Re: Billing Payment Requests (Disbursements)

By Trustee Glaser/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:

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

Capozzoli Advisors 05/31/09 Asset Management and Mortgage Services Fees-September 2009  
78,478.00

**LEGAL FEES:**

Ron Zajac 09/23/09 Legal Fees September 2009 17,734.73

F. Logan 09/14/09 Legal services - BRM R. Zajac Review and Approval 10,000.00

**OTHER EXPENSES:**

A. Brooks 08/31/09 Trustee August stipend 335.00

ADP 09/04/09 Payroll services 222.80

ADP 09/11/09 Payroll services 6,658.17

Forms Trac 09/09/09 Business Cards 53.99

Fortune 09/09/09 Subscription Renewal 39.98

Graphics Sciences, Inc. 08/31/09 Maintenance Agreement Imaging 8,768.87

Graphics Sciences, Inc. 08/26/09 Maintenance Agreement Imaging 4,167.97

Iron Mountain 08/31/09 Storage 140.81

Iron Mountain 08/31/09 Storage 1,049.73

Milestone 09/14/09 7850 E. Jefferson (Hamilton Anderson) 1,424.57

Milestone 09/14/09 7850 E. Jefferson (Hamilton Anderson) 2,990.59

Neopost 08/31/09 Postage meter supplies 206.00

Sprint 09/10/09 Cellular phone service 1,122.69

TechDepot 08/25/09 Computer supplies 2,074.78

Townsend Group 09/14/09 Professional Services-January 2009 11,250.00

W. Anthony 08/31/09 Trustee August stipend 800.00

Wall Street Journal 09/09/09 Subscription Renewal 207.48

Zones 08/26/09 Computer supplies 22.00

**Total Invoice Disbursements for Board Approval: \$147,726.16**

Yeas: Trustee Brooks, Clark, Cockrel, Cook, Glaser, Johnson, and  
Chairperson S. Kneeshaw - 7

Nays: None

**Re: Annuity Loan Program/1973 Defined Contribution Plan**

The Board is in receipt with an update outlining the loan program project and the 1973 Defined Contribution/Defined Benefit loan program submitted by Dennis Linet, dated September 15, 2009. The annuity loan program shall be in effect by the expected date of January 2010.

RE: FURLOUGH SCHEDULE

BY: TRUSTEE GLASER/SUPPORTED BY: TRUSTEE COCKREL

RESOLVED, that the Board APPROVES changing the following meeting dates so as to not conflict with the established furlough day schedule as follows:

November 25<sup>th</sup> (rescheduled to Tuesday, November 24, 2009).

December 23<sup>rd</sup> (rescheduled to Tuesday, December 22, 2009).

THEREFORE BE IT

RESOLVED, that a copy of this resolution be forwarded to the Board of Trustees of the General Retirement System, Retirement System staff, and Legal Counsel.

Yeas: Trustees Brooks, Clark, Cockrel, Cook, Glaser, Johnson, and  
Chairperson S. Kneeshaw – 7

Nays: None

PRE-EMPLOYMENT MILITARY SERVICE CREDIT

Re: Franklin Archie – No. 208013 – Water & Sewerage

By Trustee Clark - 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 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 to his membership service credit subject to the conditions and limitations of the authorizing Ordinance Provisions:

**Franklin Archie**  
**Pension #208013**  
**S.S. #385-42-2758**  
**From: February 15, 1962 until March 17, 1966**

Yeas: Trustees Brooks, Clark, Cockrel, Cook, Glaser, Johnson, and Chairperson S. Kneeshaw – 7

Nays: None

PRE-EMPLOYMENT MILITARY SERVICE CREDIT

Re: Bradford A. Barnes – No. 210580 – Public Works

By Trustee Clark - 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 54-5-3-b** of the **Charter Provisions**, therefore be it

Re: Bradford A. Barnes – No. 210580 – Public Works (Con't)

**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 to his membership service credit subject to the conditions and limitations of the authorizing Ordinance Provisions:

**Bradford A. Barnes**  
**Pension #210580**  
**S.S. #367-64-4308**  
**From: July 2, 1974 until July 1, 1976**

Yeas: Trustees Brooks, Clark, Cockrel, Cook, Glaser, Johnson, and  
Chairperson S. Kneeshaw – 7

Nays: None

PRE-EMPLOYMENT MILITARY SERVICE CREDIT

Re: Bolton A. Jones – No. 202986 – D.D.O.T.

By Trustee Glaser/ 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 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 to his membership service credit subject to the conditions and limitations of the authorizing Ordinance Provisions:

**Bolton A. Jones**  
**Pension #202986**

Re: Bolton A. Jones – No. 202986 – D.D.O.T. (Con't)

**S.S. #372-46-0841**

**From: May 22, 1967 until May 21, 1970**

Yeas: Trustees Brooks, Clark, Cockrel, Cook, Glaser, Johnson, and  
Chairperson S. Kneeshaw – 7

Nays: None

By the Chair:

MAPER'S Conferences: All Trustees, please be mindful to call in if you're unable to attend a conference in order to find a replacement.

❖ *Trustee **Gracia** joined the meeting at 9:50 a.m.*

❖ *Trustee **Anthony** joined the meeting at 9:51 a.m.*

❖ *The Board recessed at 9:55 a.m. for a ten-minute break and returned back on the record at 10:05 a.m.*

**CLOSED SESSION:**

By Trustee Gracia/Supported by Trustee Anthony

WHEREAS, The Board's Medical Director is now before the Board of Trustees of the General Retirement System of the City of Detroit to discuss the medical and psychiatric reports of individuals who have applied for disability retirement and the medical and psychiatric reports of individuals who have received re-examinations; therefore be it

**CLOSED SESSION (CON'T)**

RESOLVED, that the Board entered into Closed Session at 10:05 a.m.

A Roll Call vote was taken as follows:

Yeas: Trustees Anthony, Brooks, Clark, Cockrel, Cook, Glaser, Gracia,  
Johnson and Chairperson S. Kneeshaw – 9

Nays: None

The Board entered into Closed Session at 10:05 a.m.

**OPEN SESSION:**

By Trustee Gracia/Supported by Trustee Glaser

Resolved, that the Board returned to Open Session at 11:00 a.m.

A Roll Call vote was taken as follows:

Yeas: Trustees Anthony, Brooks, Clark, Cockrel, Cook, Glaser, Gracia,  
Johnson and Chairperson S. Kneeshaw – 9

Nays: None

The Board returned to Open Session at 11:00 a.m. and the Board's  
Medical Director was excused for the remainder of the meeting.

**INITIAL DISABILITIES**

EMPLOYEE'S INFORMATION		APPROVE	DENY	TABLE
<b>Name</b> Ballard, Carlton <b>Title</b> T.e.o. <b>Department</b> Transportation Department <b>Pension #</b> 250006 <b>Last 4 of Social</b> 3569 <b>Age at Application</b> 41 years 4 months <b>Disability Type</b> Non-Duty <b>Service Credit</b> 07-10 <b>Effective Date</b> 10/23/2008 <b>Conversion Data</b> 12/06/2027 <b>Date of Application</b> 4/23/2009 <b>Date of Disability</b> 10/00/04 <b>Workers' Comp.</b> No Workers Comp			X	
<b>Name</b> Calloway, Martha <b>Title</b> T.e.o. <b>Department</b> Transportation Department <b>Pension #</b> 255096 <b>Last 4 of Social</b> 1805 <b>Age at Application</b> 52 years 2 months <b>Disability Type</b> Duty <b>Service Credit</b> 08-05 <b>Effective Date</b> 09/10/07 <b>Conversion Data</b> 02/27/2017 <b>Date of Application</b> 4/28/2009 <b>Date of Disability</b> 03/19/03 <b>Workers' Comp.</b> No Workers Comp			X	
<b>Name</b> Knox, Inez <b>Title</b> Sr. Trans. Serv. Insp <b>Department</b> Transportation Department <b>Pension #</b> 228387 <b>Last 4 of Social</b> 4806 <b>Age at Application</b> 56 years 10 months <b>Disability Type</b> Non-Duty <b>Service Credit</b> 12-08 <b>Effective Date</b> 09/06/08 <b>Conversion Data</b> 07/11/2012 <b>Date of Application</b> 5/6/2009 <b>Date of Disability</b> 00/00/05 <b>Workers' Comp.</b> No Workers Comp	X			

<b>Name</b>	Thompson, Sheryl D			
<b>Title</b>	Sr. Payroll Clerk			
<b>Department</b>	Human Resources			
<b>Pension #</b>	213440			
<b>Last 4 of Social</b>	5391			
<b>Age at Application</b>	47 years 2 months			
<b>Disability Type</b>	Non-Duty	X		
<b>Service Credit</b>	22-05			
<b>Effective Date</b>	12/15/08			
<b>Conversion Data</b>	08/01/2016			
<b>Date of Application</b>	4/16/2009			
<b>Date of Disability</b>	09/24/08			
<b>Workers' Comp.</b>	No Workers Comp			

### **OPEN SESSION (CON'T)**

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 DISABILITIES**

Re: Carlton Ballard – No. 250006 – Non-Duty

By: Trustee Clark/Supported By Trustee Glaser

RESOLVED, that the report of the Medical Director on the case of Carlton Ballard be DENIED, and

RESOLVED, that based on the recommendation of the Medical Director the Board DENIES the application for a Non-Duty Disability Retirement filed by Mr. Ballard.

Yeas – Trustees Anthony, Brooks, Clark, Cockrel, Cook, Glaser, Gracia, Johnson and Chairperson S. Kneeshaw - 9

Nays – None

Re: Martha Calloway – No. 255096 – Duty

By: Trustee Gracia/Supported By Trustee Glaser

RESOLVED, that the report of the Medical Director on the case of Martha Calloway be DENIED, and

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

Yeas – Trustees Anthony, Brooks, Clark, Cockrel, Cook, Glaser, Gracia, Johnson and Chairperson S. Kneeshaw – 9

Nays – None

Re: Inez Knox – No. 228387 – Non-Duty

By Trustee Glaser/Supported By Trustee Gracia

RESOLVED, that the report of the Medical Director on the case of Inez Knox be ACCEPTED, and

RESOLVED, that based on the recommendation of the Medical Director the Board APPROVES the application for a Non-Duty Disability Retirement filed by Ms. Knox.

Yeas – Trustees Anthony, Brooks, Clark, Cockrel, Cook, Glaser, Gracia, Johnson and Chairperson S. Kneeshaw – 9

Nays – None

Re: Sheryl Thompson – No. 213440 – Non-Duty

By Trustee Glaser/Supported by Trustee Gracia

RESOLVED, that the report of the Medical Director on the case of Sheryl Thompson be ACCEPTED, and

Re: Sheryl Thompson – No. 213440 – Non-Duty

RESOLVED, that based on the recommendation of the Medical Director the Board APPROVES the application for a Non-Duty Disability Retirement filed by Ms. Thompson.

Yeas – Trustees Anthony, Brooks, Clark, Cockrel, Cook, Glaser, Gracia, Johnson and Chairperson S. Kneeshaw – 9

Nays – None

**ANNUAL RE-EXAMINATIONS**

By Trustee Glaser/ Supported By Trustee Gracia

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:

Arthur, Chanty Marie  
Avington-Johnson, Bobbie  
Bass, Robert  
Carter, Keith  
Dawson, Michael  
Grafton, Philip  
Hardy-Barney, Cynthia  
Johnson, Eglar Joyce  
Richmond, Janet  
Washington, Darryl  
Williams, Anthony  
Wynn, Frederick  
Young, Regina

and be it further,

**ANNUAL RE-EXAMINATIONS**

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

**Nelson, Sandra  
Plowman, Charles  
Ratliff, Gregory**

Yeas – Trustees Anthony, Brooks, Clark, Cockrel, Cook, Glaser,  
Gracia, Johnson and Chairperson S. Kneeshaw – 9

Nays – None

❖ *The Board recessed for a ten-minute break at 11:10 a.m. and returned back on the record at 11:20 a.m.*

RE: General Retirement System  
of the City of Detroit  
Minutes/Journal No. 3801

BY Trustee Anthony/ Supported By Trustee Cook

RESOLVED, that the General Retirement System of the City of Detroit Minutes/Journal No. 3801 of the board meeting held Wednesday, July 1, 2009, be hereby APPROVED as recorded and submitted.

Yeas - Trustees Anthony, Brooks, Clark, Cockrel, Cook, Glaser,  
Gracia, Johnson and Chairperson S. Kneeshaw – 9

Nays - None

RE: General Retirement System  
of the City of Detroit  
Minutes/Journal No. 3803

By Trustee Anthony/Supported by Trustee Clark

RESOLVED, that the General Retirement System of the City of Detroit Minutes/Journal No. 3803 of the board meeting held Wednesday, July 15, 2009, be hereby APPROVED as recorded and submitted.

Yeas - Trustees Anthony, Brooks, Clark, Cockrel, Cook, Glaser,  
Gracia, Johnson and Chairperson S. Kneeshaw – 9

Nays - None

RE: General Retirement System  
of the City of Detroit  
Minutes/Journal No. 3805

By Trustee Anthony/Supported by Trustee Clark

RESOLVED, that the General Retirement System of the City of Detroit Minutes/Journal No. 3805 of the board meeting held Wednesday, July 29, 2009, be hereby APPROVED as recorded and submitted.

Yeas - Trustees Anthony, Brooks, Clark, Cockrel, Cook, Glaser,  
Gracia, Johnson and Chairperson S. Kneeshaw – 9

Nays - None

RE: General Retirement System  
of the City of Detroit  
Minutes/Journal No. 3810

By Trustee Anthony/Supported by Trustee Clark

RE: General Retirement System  
of the City of Detroit  
Minutes/Journal No. 3810

RESOLVED, that the General Retirement System of the City of Detroit Minutes/Journal No. 3810 of the board meeting held Wednesday, September 2, 2009, be hereby APPROVED as recorded and submitted.

Yeas - Trustees Anthony, Brooks, Clark, Cockrel, Cook, Glaser,  
Gracia, Johnson and Chairperson S. Kneeshaw – 9

Nays - None

- ❖ The Board recessed for lunch at 12:00 p.m. and returned back on the record at 12:45 p.m.
- ❖ Trustee **Clark** left the meeting for the day at 12:57 p.m.

Re: Annuity Loan Program

The Annuity Loan program shall be in effect January 2010.

## **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:

Re: GVC NETWORKS, INC.  
WINSTAR COMMUNICATIONS, LLC  
WINSTAR GOVERNMENT SOLUTIONS, LLC  
\$10,000,000.00 ("ORIGINAL INVESTMENT")

By Trustee Glaser/Supported by Trustee Cook

**WHEREAS**, the General Retirement System of the City of Detroit ("GRS") has made the above-referenced Original Investment, and

**WHEREAS**, said Investment is in default, and

**WHEREAS**, GRS has engaged the services of Donald A. Wagner of Couzens, Lansky, Fealk, Ellis, Roeder & Lazar, P.C. as the Board's Special Legal Counsel ("Special Legal Counsel") to pursue all legal remedies on behalf of the Board to maximize recovery and minimize loss with respect to the Original Investment, and

**WHEREAS**, the collateral included in this Original Investment included certain Competitive Local Exchange Carrier ("CLEC") licenses which licenses allow telecommunications business to provide services including local, long distance and wireless communications ("Licenses"), and

**WHEREAS**, GRS has previously been advised that Licenses are currently subject to the jurisdiction of the Bankruptcy Court of the Eastern District of Michigan, and

**WHEREAS**, GRS has previously been advised it has received the assistance of Scott Birdwell, and various entities in which he owns an interest (collectively the "Potential Joint Venture Participant"), and

Re: GVC NETWORKS, INC.  
WINSTAR COMMUNICATIONS, LLC  
WINSTAR GOVERNMENT SOLUTIONS, LLC  
\$10,000,000.00 (“ORIGINAL INVESTMENT”) (Continued)

**WHEREAS**, the Potential Joint Venture Participant has expressed an interest in creating an entity to be owned by the GRS, Police and Fire Retirement System of the City of Detroit, and Potential Joint Venture Participant to acquire the Licenses, and

**WHEREAS**, the GRS has previously been advised that in order to acquire the Licenses from the Bankruptcy Court, it should form various corporations for that purpose, and

**WHEREAS**, Articles of Incorporations, SS-4 Form, By-Laws and Stock Certificate(s) have been prepared for the formation of Michigan corporations respectively known as Winstar-RSCD, Inc. and Winstar-RSCD Holding, Inc. (“Corporate Documents”), and

**WHEREAS**, the GRS has been requested to execute the Corporate Documents, and

**WHEREAS**, the Board of Trustees has discussed this matter, THEREFORE BE IT

**RESOLVED**, that GRS hereby approves the execution of the Corporate Documents, and FURTHER BE IT

**RESOLVED**, that a copy of this resolution be forwarded to Special Legal Counsel.

Yeas: Trustees Anthony, Cockrel, Cook, Glaser, Gracia,  
Johnson and Chairperson S. Kneeshaw – 7

Nays: Trustee Brooks - 1

Re: GVC NETWORKS, INC.  
WINSTAR COMMUNICATIONS, LLC  
WINSTAR GOVERNMENT SOLUTIONS, LLC  
\$10,000,000.00 (“ORIGINAL INVESTMENT”)

By Trustee Glaser/Supported by Trustee Cook

**WHEREAS**, the General Retirement System of the City of Detroit (“GRS”) has made the above-referenced Original Investment, and

**WHEREAS**, said Investment is in default, and

**WHEREAS**, GRS has engaged the services of Donald A. Wagner of Couzens, Lansky, Fealk, Ellis, Roeder & Lazar, P.C. as the Board’s Special Legal Counsel (“Special Legal Counsel”) to pursue all legal remedies on behalf of the Board to maximize recovery and minimize loss with respect to the Original Investment, and

**WHEREAS**, the collateral included in this Original Investment included certain Competitive Local Exchange Carrier (“CLEC”) licenses which licenses allow telecommunications business to provide services including local, long distance and wireless communications (“Licenses”), and

**WHEREAS**, GRS has previously been advised that Licenses are currently subject to the jurisdiction of the Bankruptcy Court of the Eastern District of Michigan, and

**WHEREAS**, the GRS has previously been advised that in order to acquire the Licenses from the Bankruptcy Court, it should form various corporations for that purpose, and

**WHEREAS**, GRS has previously approved the formation of Michigan corporations respectively known as Winstar-RSCD, Inc. and Winstar-RSCD Holding, Inc. (“Corporate Documents”) to acquire the Licenses, and

Re: GVC NETWORKS, INC.  
WINSTAR COMMUNICATIONS, LLC  
WINSTAR GOVERNMENT SOLUTIONS, LLC  
\$10,000,000.00 (“ORIGINAL INVESTMENT”) (Continued)

By Trustee Glaser/Supported by Trustee Cook

**WHEREAS**, the General Retirement System of the City of Detroit (“GRS”) has made the above-referenced Original Investment, and

**WHEREAS**, said Investment is in default, and

**WHEREAS**, GRS has engaged the services of Donald A. Wagner of Couzens, Lansky, Fealk, Ellis, Roeder & Lazar, P.C. as the Board’s Special Legal Counsel (“Special Legal Counsel”) to pursue all legal remedies on behalf of the Board to maximize recovery and minimize loss with respect to the Original Investment, and

**WHEREAS**, the collateral included in this Original Investment included certain Competitive Local Exchange Carrier (“CLEC”) licenses which licenses allow telecommunications business to provide services including local, long distance and wireless communications (“Licenses”), and

**WHEREAS**, GRS has previously been advised that Licenses are currently subject to the jurisdiction of the Bankruptcy Court of the Eastern District of Michigan, and

**WHEREAS**, GRS has previously been advised that in order to acquire the Licenses from the Bankruptcy Court, it should form various corporations for that purpose, and

**WHEREAS**, GRS has previously approved the formation of Michigan corporations respectively known as Winstar-RSCD, Inc. and Winstar-RSCD Holding, Inc. (“Corporate Documents”) to acquire the Licenses, and

Re: GVC NETWORKS, INC.  
WINSTAR COMMUNICATIONS, LLC  
WINSTAR GOVERNMENT SOLUTIONS, LLC  
\$10,000,000.00 (“ORIGINAL INVESTMENT”) (Continued)

**WHEREAS**, the Potential Joint Venture Participant previously requested that in exchange for their continued assistance, they be granted a right of first refusal with respect to the Licenses that will be acquired by Winstar-RSCD, Inc., and

**WHEREAS**, GRS previously approved the granting of the right of first refusal subject to documents satisfactory to General Counsel and Special Legal Counsel, and

**WHEREAS**, General Counsel and Special Legal Counsel have approved the Cooperation Agreement, and

**WHEREAS**, the Board of Trustees has discussed this matter,  
THEREFORE BE IT

**RESOLVED**, that GRS hereby approves the execution of the Cooperation Agreement, and

**RESOLVED**, that a copy of this resolution be forwarded to Special Legal Counsel:

A Roll Call Vote Was Taken As Follows:

Yeas: Trustees Anthony, Cockrel, Cook, Glaser, Gracia,  
Johnson and Chairperson S. Kneeshaw – 7

Nays: Trustee Brooks - 1

**Entry In Minutes**

**Re: Merck & Co., Inc. Vytarin/Zetia Securities Litigation**

The Board is in receipt of the above litigation to dismiss Plaintiffs' claims filed in the District Court of New Jersey.

**Re: Hoff v. Popular, Inc.**

The Board is in receipt of correspondence submitted by Attorney Salvatore Graziano, of Bernstein Litowitz Berger & Grossman, regarding the above-referenced securities class action.

**Re: GRS vs. City of Dtroit  
WCCC Case #09-019774-AW**

The Board received a copy of the Order to *Show Cause* and *Notice of Hearing* dated September 5, 2009 for review.

**Re: Contract Renewal**

The contract for Universal System Technologies, Inc. is up for renewal for a three-year term, engaged by Sanjay Prasad to perform information technology services.

**LEGAL COUNSEL'S REPORT CONTINUES**

RE: EXECUTION OF INDEPENDENT CONTRACTOR AGREEMENT  
FOR UNIVERSAL SYSTEM TECHNOLOGIES, INC. (RE: SANJAY  
PRASAD)

BY TRUSTEE GRACIA/SUPPORTED BY TRUSTEE GLASER

WHEREAS, the General Retirement System of the City of Detroit (the "Retirement System"), along with Police and Fire Retirement system of the City of Detroit (the "PFRS") (collectively the Retirement System and PFRS shall be hereinafter referred to as, the "Retirement Systems") have previously engaged the services of Sanjay Prasad, as an independent contractor ("Contractor"), to provide information technology services to the Retirement Systems, and

WHEREAS, the Board of Trustees of the Retirement System, along with the PFRS Board of Trustees, desires to continue the engagement of Contractor, subject to certain terms and conditions, and

WHEREAS, Joseph Turner of Clark Hill PLC (the Board's Special Legal Counsel) has drafted an Independent Contractor Agreement (the "Agreement") consistent with prior action of the Board, and three (3) execution originals of such agreement have been signed by Universal System Technologies, Inc. (the "Company"), a company formed by Contractor to provide the services of Contractor, and

WHEREAS, copies of the signed agreement have been provided to the Board, and

WHEREAS, Special Legal Counsel, along with the Board's General Counsel, have approved the Agreement, as to form, and

RE: EXECUTION OF INDEPENDENT CONTRACTOR AGREEMENT  
FOR UNIVERSAL SYSTEM TECHNOLOGIES, INC. (RE: SANJAY  
PRASAD) (CONTINUED)

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

RESOLVED, that each execution original of the Agreement be  
executed by two authorized signatories on behalf of the Board,  
consistent with the Board's policy, and be it further

RESOLVED, that a fully executed original of the Agreement be  
distributed to each party of such agreement, including the  
Retirement System, and such agreement be maintained in the  
Retirement System records, and be it further

RESOLVED, that a copy of this resolution be forwarded to the  
Company and the Board's Special Legal Counsel.

YEAS: Trustees Anthony, Brooks, Cockrel, Cook, Glaser, Gracia,  
Johnson and Chairperson S. Kneeshaw – 8

NAYS: None

RE: DENNIS LINET & ANITA LINET

The Board notes that contract renewal for the above  
contractors is forthcoming.

**PRESENTOR:**

Re: Chuck Dodd

Deputy Director Chuck Dodd, of Information Technology Services,  
appeared before the Board, was given permission to speak on  
behalf of the Board regarding the annuity loan program during the  
Committee Hearing scheduled for September 17, 2009.

**LEGAL COUNSEL'S REPORT CONTINUES**

RE: EXECUTION OF INDEPENDENT CONTRACTOR AGREEMENT  
FOR JONATHAN BERG

BY: TRUSTEE GRACIA/SUPPORTED BY TRUSTEE COOK

WHEREAS, the General Retirement System of the City of Detroit (the "Retirement System"), along with the Police and Fire Retirement System of the City of Detroit (the "PFRS") (collectively the Retirement System and PFRS shall be hereinafter referred to as, the "Retirement Systems") have previously engaged the services of Jonathan Berg, as an independent contractor ("Contractor"), to provide information technology services to the Retirement Systems, and

WHEREAS, the Board of Trustees of the Retirement System, along with the PFRS Board of Trustees, desires to continue the engagement of Contractor, subject to certain terms and conditions, and

WHEREAS, Joseph Turner of Clark Hill PLC (the "Board's Special Legal Counsel") has drafted an Independent Contractor Agreement (the "Agreement") consistent with prior action of the Board, and Contractor has signed such agreement, and

WHEREAS, copies of the signed agreement have been provided to the Board; and

WHEREAS, Special Legal Counsel, along with the Board's General Counsel, have approved the Agreement, as to form, and

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

RE: EXECUTION OF INDEPENDENT CONTRACTOR AGREEMENT  
FOR JONATHAN BERG (CONTINUED)

RESOLVED, that said Agreement be executed by two authorized signatories on behalf of the Board, consistent with the Board's policy, and be it further

RESOLVED, that a fully executed original of the Agreement be distributed to each party of such agreement, including the Retirement System, and such agreement be maintained in the Retirement System records, and be it further

RESOLVED, that a copy of this resolution be forwarded to Contractor and the Board's Special Legal Counsel.

A Roll Call Vote Was Taken As Follows:

YEAS: Trustees Brooks, Cook, Glaser, Gracia – 4

NAYS: Trustees Cockrel, Johnson, Chairperson S. Kneeshaw – 3

ABSTAIN: Trustee Anthony - 1

Re: Proposed Changes

By Trustee Gracia/Supported by Trustee Cook

RESOLVED, that the Board hereby APPROVES the next meeting, No. 3814, to discuss renewals of contracts and policies; and further

RESOLVED, that a copy of this resolution be forwarded to the Board of Trustees and Legal Counsel.

YEAS: Trustees Anthony, Brooks, Cockrel, Cook, Glaser, Gracia, Johnson and Chairperson S. Kneeshaw – 8

NAYS: None

RE: Collective Bargaining between the Employer, City of Detroit  
AND Collective Bargaining Units and proposals to modify  
disability provisions AND proposal to close off entry into the  
Defined Benefit Plan

BY: Trustee Gracia/Supported by Trustee Glaser

WHEREAS, it has come to the Board's attention that negotiations are in process between the Employer, City of Detroit and various Collective Bargaining Units as indicated in the above heading, and

WHEREAS, the Board of Trustees is aware that the collective bargaining process includes Ratification/approval of any proposed labor agreement by the applicable collective bargaining Unit and the City Council, and

WHEREAS, the Board of Trustees has the sole fiduciary duty to administer the plan and to maintain the integrity of the plan and its' design for the sole benefit of the participants and beneficiaries pursuant to Constitutional Provisions, State Statute, Trust Law, Fiduciary Law and Principles, the Detroit City Charter and other applicable law, and

WHEREAS, it has come to the attention of the Board of Trustees and its' Legal Counsels that the following modifications have been submitted by the Employer to the various bargaining units for discussion under applicable provisions of the Public Employee Relations Act [PERA]:

- [1] All employees hired on or after mmm, ddd, yyyy, shall be enrolled in the General Retirement System DEFINED CONTRIBUTION PLAN (DCP)

RE: Collective Bargaining between the Employer, City of Detroit AND Collective Bargaining Units and proposals to modify disability provisions AND proposal to close off entry into the Defined Benefit Plan (Continued)

- [2] Effective upon approval from City Council, Employee covered by this agreement, who is seeking a duty disability retirement, shall have an examination conducted by an independent medical examiner (IME). If the IME concludes that the employee's physical or medical condition does not relate to his/her employment with the City of Detroit, the employee shall not be eligible for the duty disability retirement.
- [3] A provision to DENY Health Care coverage for Non-Duty Disability Retirees.

WHEREAS, the Board of Trustees understands actuarial implications of proposed changes to the plan, the Board duly notes the following:

RE: [1] This proposed change has mid to long term adverse effects on the existing Defined Benefit plan and urges the parties in the collective bargaining process to request the Board of Trustees to commission a study of the ramifications of this proposal by its' Actuary before proceeding any further;

RE: [2] The Board of Trustees duly notes that Disability Retirement, whether Duty or Non-Duty is a Retirement Benefit, protected by Article IX, Section 24 of the Michigan State Constitution and Article I, Section X of the United States Constitution and further notes that employing another step into the disability determination process is BAD PLAN DESIGN AND abrogates the sole fiduciary authority of the Board of Trustees on Retirement matters who utilize an independent qualified medical authority to conclude and opine on application cases which come to the Board.

RE: Collective Bargaining between the Employer, City of Detroit AND Collective Bargaining Units and proposals to modify disability provisions AND proposal to close off entry into the Defined Benefit Plan (Continued)

It is further noted, with emphasis, the Board has been and is aware of adjudicated legal cases in the public sector over the years which would render this provision illegal and extremely problematical; and urges the parties to vacate discussion on this item.

RE: [3] The Board duly notes that medical benefits HAVE ALWAYS been afforded to Non-Duty Disabilitants since the inception of the plan in 1938 and to do otherwise in addition to past practice would also run afoul of legal cases which have been adjudicated in the public sector over the years and could be problematical with respect to various laws be them Federal or State.

WHEREAS, the Board of Trustees has the sole fiduciary responsibility for the administration and management of the Retirement System and the responsibility to protect and maintain the integrity of the Retirement system pursuant to applicable laws, and

WHEREAS, the Board deems it appropriate and obligated to inform the parties involved in the collective bargaining process of the concerns as stated above, and further be it

RESOLVED, that the Employer, City of Detroit, AND the various Collective Bargaining Units are strongly encouraged to study and be guided by the aforementioned concerns of the proposals before you and the adverse effects regarding plan design, actuarial effects and legal implications pursuant to these stated concerns prior to making any determination on the acceptability of agreeing to any modifications regarding pension benefits; and further

RE: Collective Bargaining between the Employer, City of Detroit  
AND Collective Bargaining Units and proposals to modify  
disability provisions AND proposal to close off entry into the  
Defined Benefit Plan (Continued)

RESOLVED, that a copy of this resolution be forwarded to the Mayor,  
City Council, the Labor Relations Director, and All Collective  
Bargaining Units.

YEAS: Trustees Anthony, Brooks, Cook, Glaser, Gracia, Johnson  
and Chairperson S. Kneeshaw – 7

NAYS: Trustee Cockrel - 1

Re: Detroit Free Press Articles

The Board is in receipt of two Detroit Free Press articles, dated  
September 14, 2009, by Jennifer Dixon, regarding Legislators  
Targeting Pension Abuses and Shining Light on Pensions.

**OPEN FORUM:**

Retiree Spokesman Tom Sheehan appeared before the Board  
to address some issues at hand on behalf of retiree members:

- ✓ Sending out monthly newsletters
- ✓ Communication is important
- ✓ Defined Contribution Plan needs updating
- ✓ Website is a good tool in getting information out

By the Direction of the Chair

Please note: Trustees Cook and Gracia will assist Walter  
Stampor in updating the General Retirement Systems' website.

- ✓ Newsletters are forthcoming

**ADJOURNMENT**

There being no further business before the Board, **CHAIRPERSON S. KNEESHAW** adjourned the meeting at **2:41 p.m.** until Wednesday, **SEPTEMBER 23, 2009**, 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