

MEETING NO. 3837
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM
HELD WEDNESDAY, MARCH 10, 2010
9:00 A.M.

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

PRESENT

Wendell Anthony	Trustee
Alvin Brooks	Trustee
David Clark	Trustee
Cedric Cook	Trustee
Ronald Gracia	Trustee & Vice Chairperson
Shaunteel Jenkins	Trustee
Cheryl R. Johnson	Ex-Officio Trustee & Treasurer
Sheila W. Kneeshaw	Trustee & Chairperson

Walter Stampor	Executive Secretary
Myron T. Terrell	Assistant Executive Secretary
Ronald Zajac	Legal Counsel
Richard Huddleston	Investment Analyst
Wilhelmina (Mena) Baldwin	Recording Secretary
Rita Coats	Recording Secretary

EXCUSED

Susan Glaser	Trustee
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VICE CHAIRMAN

RONALD GRACIA

Vice Chairman, Ronald Gracia, called the General Retirement System Board of Trustees meeting to order at 9:40 a.m.

RE: SERVICE RETIREMENTS

By: Trustee Clark – Supported by Trustee Jenkins

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

SERVICE RETIREMENTS

NAME, TITLE, DEPARTMENT	Karen Bell-Abbott – Librarian III - Library
SERVICE CREDIT	22-04
EFFECTIVE DATE	02-07-10
NAME, TITLE, DEPARTMENT	Hope Bradford – Income Tax Investigator - Finance
SERVICE CREDIT	08-01
EFFECTIVE DATE	01-22-10
NAME, TITLE, DEPARTMENT	Michael Cathey – Field Services Rep – Water & Sewerage
SERVICE CREDIT	37-08
EFFECTIVE DATE	02-01-10
NAME, TITLE, DEPARTMENT	Sheila Cusic – Neighborhood Service Rep – Mayor’s Office
SERVICE CREDIT	30-02
EFFECTIVE DATE	01-18-10
NAME, TITLE, DEPARTMENT	Ronald Gracia – Sr Data Proc Prog Analyst – Water & Sewerage
SERVICE CREDIT	42-07
EFFECTIVE DATE	03-25-10
NAME, TITLE, DEPARTMENT	Dianne Jones – Vehicle Operator I – Planning & Development
SERVICE CREDIT	11-09
EFFECTIVE DATE	02-11-10
NAME, TITLE, DEPARTMENT	Claudia Lee – Clerk – Water & Sewerage
SERVICE CREDIT	36-07
EFFECTIVE DATE	01-18-10
NAME, TITLE, DEPARTMENT	Eddie Odom – Construction Equipment Operator - DPW
SERVICE CREDIT	37-08
EFFECTIVE DATE	01-21-10

SERVICE RETIREMENTS - CONTINUED

NAME, TITLE, DEPARTMENT Charles W. Ohno – Pr Soc Planning & Dev
Specialist – Planning & Development
SERVICE CREDIT 41-06
EFFECTIVE DATE 01-28-10

NAME, TITLE, DEPARTMENT Dinetta Patton – Head Clerk – Water &
Sewerage
SERVICE CREDIT 21-02
EFFECTIVE DATE 02-03-10

NAME, TITLE, DEPARTMENT Clarence F. Steen – Community Health Asst. -
Health
SERVICE CREDIT 10-01
EFFECTIVE DATE 01-18-10

NAME, TITLE, DEPARTMENT Gordon C. Weathers – Traffic Investigator -
DPW
SERVICE CREDIT 12-09
EFFECTIVE DATE 02-12-10

Yeas: Trustee Brooks, Clark, Cook, Jenkins and Vice Chairman Gracia - 5

Nays: None

EARLY RETIREMENT

By: Trustee Clark – Supported by Trustee Jenkins

RESOLVED, that the following application for **Early Retirement** be hereby
APPROVED, as reflected below:

NAME, TITLE, DEPARTMENT Cynthia A. Lyons – Principal Clerk – Water &
Sewerage
SERVICE CREDIT 27-07
EFFECTIVE DATE 02-25-10

Yeas: Trustee Brooks, Clark, Cook, Jenkins and Vice Chairman Gracia - 5

Nays: None

VESTED RETIREMENT

By: Trustee Clark – Supported by Trustee Jenkins

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

NAME, TITLE, DEPARTMENT	Georgella B. Muirhead – Deputy Director of Com & Creative Services – Communications & Creative Services
SERVICE CREDIT	09-08
EFFECTIVE DATE	01-01-10

Yeas: Trustee Brooks, Clark, Cook, Jenkins and Vice Chairman Gracia - 5

Nays: None

ACCUMULATED CONTRIBUTIONS
LIST NO. 6947 – Amount: \$2,446,846.22

By: Trustee Cook – Supported By: Trustee Clark

RESOLVED, that the contributions to the Annuity Savings Fund by members of the General Retirement System, as set forth on List No. **6947**, in the amount of **\$2,446,846.22**, including interest, be **REFUNDED**, pending audit by Retirement System Accounting staff:

Yeas: Trustees Brooks, Clark, Cook, Jenkins and Vice Chairman Gracia - 5

Nays: None

Re: 1998 Defined Contribution Plan – Refund List No. 8055 – Amount \$368,312.90

By: Trustee Cook – Supported By Trustee Clark

RESOLVED, that the 1998 Defined Contribution Plan amounts, by members of the General Retirement System, as set forth on List No. **8055**, in the amount of **\$368,312.90**, including interest, be **REFUNDED**, pending audit by the Retirement System Accounting staff:

Yeas: Trustees Brooks, Clark, Cook, Jenkins and Vice Chairman Gracia - 5

Nays: None

MINUTES OF FEBRUARY 4, 2010 - #3834

By: Trustee Cook - Supported By: Trustee Clark

RESOLVED, that the General Retirement System Minutes of **Board Meeting No. 3834**, held on Wednesday, February 4, 2010, hereby be **APPROVED** as recorded and submitted.

Yeas: Trustees Brooks, Clark, Cook, Jenkins and Vice Chairman Gracia - 5

Nays: None

MINUTES OF JANUARY 27, 2010 - #3831

By: Trustee Cook - Supported By: Trustee Clark

RESOLVED, that the General Retirement System Minutes of **Board Meeting #3831** held on Wednesday, January 27, 2010, hereby be **APPROVED** as recorded and submitted.

Yeas: Trustees Brooks, Clark, Cook, Jenkins and Vice Chairman Gracia - 5

Nays: None

MINUTES OF JANUARY 20, 2010 - #3830

By: Trustee Cook - Supported by Trustee Clark

RESOLVED, that the General Retirement System Minutes of **Board Meeting No. 3830** held on Wednesday, January 20, 2010, hereby be **APPROVED** as recorded and submitted.

Yeas: Trustees Brooks, Clark, Cook, Jenkins and Vice Chairman Gracia - 5

Nays: None

MINUTES OF JANUARY 13, 2010 - #3829

By: Trustee Cook - Supported by Trustee Clark

RESOLVED, that the General Retirement System Minutes of **Board Meeting No. 3829** held on Wednesday, January 13, 2010, hereby be **APPROVED** as recorded and submitted.

Yeas: Trustees Brooks, Clark, Cook, Jenkins and Vice Chairman Gracia - 5

Nays: None

ASSISTANT EXECUTIVE SECRETARY'S REPORT

FEES AND EXPENSES

BY: Trustee Cook – Supported by Trustee Clark

WHEREAS, the Board has been presented with the summary of fees and expenses which are referenced at the end of these proceedings requesting payment for services rendered, and

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

RESOLVED, that subject to approval by legal counsel and subject to staff audit, the Board approves payment of said fees and expenses listed at the **end** of these proceedings:

Yeas: Trustees Brooks, Clark, Cook, Jenkins and Vice Chairman Gracia - 5

Nays: None

Re: Churchill Mortgage Investment LLC

The Board received a letter from Churchill offering to increase the rate on their prior loan submission to 8% fixed rate for up to 27 months.

- Trustee Wendell Anthony entered the Meeting.

Re: Seminole

The Board received a letter from Seminole Advisory Services informing the Board that the meeting of the SAS Group Trust and SAS REIT originally scheduled for October 29, 2010 has been rescheduled to November 5, 2010.

Re: Steward Capital

By: Trustee Clark – Supported by Trustee Cook

WHEREAS, the Board is in receipt of a letter from Steward Capital Management which describes a first mortgage offering, and

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

Re: Steward Capital - Continued

RESOLVED, that the Assistant Executive Secretary be directed to schedule a presentation with Steward Capital Management to describe the first mortgage offering:

Yeas: Trustees Anthony, Brooks, Clark, Cook, Jenkins and Vice Chairman
Gracia – 6

Nays: None

Re: TT International

By: Trustee Brooks – Supported by Trustee Jenkins

WHEREAS, the Board is in receipt of a communication from TT International requesting the Board's approval to utilize Goldman Sachs for the purpose of clearing future trades, and

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

RESOLVED, that the request of TT International is approved subject to documentation acceptable to the Board and General Counsel, and be it further

RESOLVED, that a copy of this resolution be forwarded to TT International and the Accounting Division of the Retirement System:

Yeas: Trustees Anthony, Brooks, Clark, Cook, Jenkins and Vice Chairman
Gracia – 6

Nays: None

Re: Investment Analyst Richard Huddleston

The Board received a proposal/letter from Richard Huddleston to read and discuss with respect to his engagement as a contractual employee with the scope of this engagement to expand his current duties.

Re: Accounting Staff

By: Trustee Cook – Supported by Trustee Clark

WHEREAS, the Board has been advised by staff of vacancies in the Accounting Department, and

WHEREAS, staff has interviewed candidates to fill the aforementioned vacancies, and

Re: Accounting Staff - Continued

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

RESOLVED, that **Valerie Vaughn** be hired for the position of an accountant subject to the completion of the standard contractual employee agreement, and be it further

RESOLVED, that a copy of this resolution be forwarded to Ms. Vaughn and the Accounting Division of the Retirement System:

Yeas: Trustees Anthony, Brooks, Clark, Cook, Jenkins and Vice Chairman
Gracia – 6

Nays: None

Re: Brandywine Global

Ms. Nedra Hadley appeared before the Board to provide an update on their global fixed income portfolio.

Vice Chairman Gracia recessed the meeting at 10:50 A.M. and re-convened same at 11:00 A.M.

Re: Wells Capital Management

Lori Buffum and Francis Claro, CFA, appeared before the Board to present their international small-cap equity management capabilities.

Re: Ferchill Group / Book Cadillac

Representatives of the Book Cadillac hotel; John Ferchill, Chairman/CEO, Timothy P. Freisen, and Timm Judson appeared before the board to discuss the status of the Book Cadillac.

Re: Ferchill Group / Book Cadillac - Continued

Vice Chairman Gracia temporarily adjourned the meeting at 1:00 P.M. for the purposes of convening the Employee Benefit Plan meeting (#1116).

Following the conclusion of the Employee Benefit Plan meeting, Vice Chairman Gracia re-convened the General Retirement System meeting at 1:10 P.M.

- Trustee Johnson entered the meeting.

Re: Closed Session

By: Trustee Gracia – Supported by Trustee Johnson

RESOLVED, that the Board enter into Closed Session for the purpose of discussing matters involving attorney/client privilege:

A Roll Call vote was taken as follows:

Yeas: Trustees Anthony, Brooks, Clark, Cook, Jenkins, Johnson and Vice
Chairman Gracia - 7

Nays: None

The Board entered into Closed Session at 1:10 P.M.

- Trustee Kneeshaw joined the Board meeting during “Closed Session” at 1:20 p.m.

Re: OPEN SESSION

By: Trustee S. Kneeshaw – Supported by Trustee Anthony

RESOLVED, that the Board return to Open Session:

A Roll Call vote was taken as follows:

Yeas: Trustees Anthony, Brooks, Clark, Cook, Jenkins, Johnson, S.
Kneeshaw and Vice Chairman Gracia - 8

Nays: None

The Board returned to Open Session at 2:30 P.M.

Re: VanOverbeke, Michaud & Timmony

Michael VanOverbeke distributed drafts of business, travel and educational policies to the Board. At the direction of the Vice Chair, Mr. VanOverbeke will be rescheduled to appear on March 31, 2010, at 10:45 A.M.

LEGAL COUNSEL'S REPORT

Legal Counsel Ronald Zajac discussed various matters with the Board, including the Rivers Casino.

**Re: PITG Gaming/Rivers Casino
Engagement of Casino Financial Advisor - Part A**

By: Trustee Gracia – Supported by Trustee Cook

WHEREAS, the Board's Business Advisor and Special Legal Counsel provided a status update on the Board's Investment and summary of the Second Lien Holders Meeting on March 5, 2010 at the casino site, and

WHEREAS, the Board received copies of the (i) Business Advisor's report dated March 10, 2010, (ii) confidential Second Lien Lender's presentation packet dated March 4 (sic), 2010, and (iii) confidential presentation to North Point Advisors dated March 5, 2010, and

WHEREAS, certain information provided is covered by MCLA 38.1140(ℓ).

WHEREAS, the Board has been advised, consistent with the Business Advisor's recommendation, that the GRS, along with PFRS, should approve the engagement of a casino financial advisor to protect the Board's interest, and

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

RESOLVED, that the Board accepts the Business Advisor's recommendation and approves the engagement of a casino financial advisor to protect the Board's Interest in the subject investment, and be it further

RESOLVED, that a copy of this resolution be forwarded to the Board's Business Advisor, Special Legal Counsel, and the Accounting Division of the Retirement System:

Yeas: Trustees Anthony, Clark, Cook, Jenkins, Johnson, S.
Kneeshaw and Vice Chairman Gracia - 7

Nays: Trustee Brooks - 1

**Re: PITG Gaming/Rivers Casino
Engagement of Casino Financial Advisor – Part B**

By: Trustee Gracia – Supported by Trustee Cook

WHEREAS, consistent with the Board's action of this date to engage a casino financial advisor, the Board is aware of the urgency of the engagement in order to protect the Board's interest, and

WHEREAS, the Board is aware that the engagement of the casino financial advisor must occur as soon as possible, and the Board's Business Advisor is interviewing prospective candidates, and

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

RESOLVED, THAT THE Board authorizes the Board's Business Advisor to conduct interviews for casino financial advisors and make a recommendation to the Board's Chairperson who along with the PFRS Chairperson are authorized to select the casino financial advisor which shall be engaged by the Retirement Systems; and be it further

RESOLVED, that the engagement of the casino financial advisor as set forth herein shall be consistent with the Board's policies, and be it further resolved

RESOLVED, that a copy of this resolution be forwarded to the Board's Business Advisor, Special Legal Counsel, and the Accounting Division of the Retirement System:

Yeas: Trustees Anthony, Clark, Cook, Jenkins, Johnson, S.
Kneeshaw and Vice Chairman Gracia - 7

Nays: Trustee Brooks – 1

Re: Email from Huron Consulting Group ("Huron") dated 3/8/10

General Counsel, Ronald Zajac, stated that there is obviously some misunderstanding by the sender of the e-mail because General Counsel is not making any introductions on behalf of Huron. General Counsel anticipates that a subsequent communication from Huron will correct Huron's misunderstanding. General Counsel responded that he has had no contact with Huron on any matter.

Ronald Gracia – Pension No. 162586
Defined Contribution Plan (Annuity Savings) Withdrawal

By: Trustee Cook – Supported by Trustee Kneeshaw

WHEREAS, the Board has been presented with a request from Ronald Gracia to withdraw his Defined Contribution Plan (Annuity Savings), and

WHEREAS, the Retirement System’s provisions regarding Annuity withdrawals permits for such withdrawals under the following:

- Service Retirement;
- Separation from Service;
- Laid-Off;
- Death of Employee;
- Twenty-Five (25) Year Withdrawal;
- Duty/Non-Duty Disability;
- Conversion from Disability; and

WHEREAS, Mr. Gracia has applied for Service Retirement with the General Retirement System, per application dated, effective June 1, 2010, and

WHEREAS, Mr. Gracia has attained 25 years+ of service credit, thereby meeting the provision of the Retirement System regarding annuity withdrawals, therefore be it

RESOLVED, that Mr. Gracia’s request to withdraw his Defined Contribution Plan (Annuity Savings) is hereby **APPROVED**, and be it further

RESOLVED, that a copy of this resolution be forwarded to Mr. Gracia, and the Accounting Division of the Retirement System:

Yeas: Trustees Anthony, Brooks, Clark, Cook, Jenkins, Johnson, S. Kneeshaw
and Vice Chairman Gracia – 8

Nays: None

ADJOURNMENT

There being no further business to come before the Board of Trustees, the General Retirement System Board meeting hereby adjourned at 3:35 P.M. until Wednesday, March 17, at 9:00 A.M. in the Retirement Systems' Conference Room, 910 Coleman A. Young Municipal Center, Detroit, MI 48226.

Respectfully submitted,

Myron T. Terrell
Assistant Executive Secretary

**THE GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT
LIST OF INVOICES FOR BOARD APPROVAL
March 10, 2010**

PAYEE	INVOICE DATE	DESCRIPTION	AMOUNT
MANAGEMENT FEES:		AUDITED FEES	
Capozzoli Advisory for Pensions, Inc.	03/10/10	Asset Management & Servicing Fees- 03/10	\$ 74,342.00
Mayfield Gentry Realty Advisors, LLC	03/05/10	Asset Management Fees- 03/10	8,633.33
LEGAL FEES:			
OTHER EXPENSES:		AUDITED FEES	
ADP	02/26/10	Print Services	111.91
IKON Office Solutions	02/24/10	Metered Prints (Copier)	674.13
Iron Mountain	02/28/10	Storage	891.89
Neopost	02/05/10	Ink Cartridge	215.95
Zones	02/26/10	Computer Supplies	231.14
Zones	02/26/10	Computer Supplies	17.99
Zones	02/26/10	Computer Supplies	2.49
Zones	02/26/10	Computer Supplies	19.50
Total Invoice Disbursements for Board Approval			<u>\$ 85,140.33</u>