

MEETING NUMBER 3838

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



PROCEEDINGS HELD WEDNESDAY, MARCH 17, 2010  
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
Cedric Cook	Trustee
Ronald Gracia	Trustee & Vice Chairperson
Saunteel Jenkins	Ex/Officio Trustee/Council Representative
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
Mena Baldwin	Recording Secretary (GRS)
Rita Coats	Recording Secretary (GRS)
Janet S. Lenear	Recording Secretary (PFRS)
Reginald O'Neal	Medical Director

EXCUSED

Susan Glaser	Trustee
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ABSENT

None

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CHAIRPERSON

Sheila W. Kneeshaw

VICE CHAIRPERSON

Ronald Gracia

Medical Director **Reginald O'Neal** entered the Meeting at 9:58 A.M.

AT THE CHAIR'S DIRECTION, ROLL CALL WAS TAKEN AT 10:00 A.M. BY THE BOARD'S RECORDING SECRETARY AND THE MEETING WAS CALLED TO ORDER.

CLOSED SESSION

BY MR. GRACIA – SUPPORTED BY MR. COOK

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

RESOLVED, That the Board enter into Closed Session:

A Roll Call vote was taken as follows:

Yeas – Trustees Brooks, Cook, Gracia, Johnson and Chairperson S. Kneeshaw – 5

Nays – None

The Board entered into Closed Session at 10:00 A.M.

OPEN SESSION

BY MR. GRACIA – SUPPORTED BY MS. JENKINS

Resolved, That the Board return to Open Session:

A Roll Call vote was taken as follows:

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OPEN SESSION

Yeas – Trustees Brooks, Cook, Gracia, Jenkins and Chairperson S. Kneeshaw – 5

Nays – None

The Board returned to Open Session at 10:25 A.M. and the Board's Medical Director was excused for the remainder of the Meeting.

DISABILITY RETIREMENT APPLICATIONS

EMPLOYEE'S INFORMATION		MEDICAL DIRECTOR'S RECOMMENDATION	APP	DEN	TAB
<b>Name</b>	Williams Griffin, Sr.	DUTY RELATED DISABILITY	APPROVE		
<b>Title</b>	Refuse Collection Pack Operator				
<b>Department</b>	Department of Public Works				
<b>Pension #</b>	225703				
<b>Last 4 of Social</b>	7134				
<b>Age at Application</b>	52 years 0 months				
<b>Disability Type</b>	Duty				
<b>Service Credit</b>	15-03				
<b>Effective Date</b>	07/30/09				
<b>Conversion Data</b>	08/26/2017				
<b>Date of Application</b>	8/14/2009				
<b>Date of Disability</b>	02/07/09				
<b>Workers' Comp.</b>	No Workers Comp				

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DISABILITY RETIREMENT APPLICATIONS

<b>Name</b>	Lolesia K. Jackson	DUTY RELATED DISABILITY	APPROVE		
<b>Title</b>	Street Maintenance Helper				
<b>Department</b>	Department of Public Works				
<b>Pension #</b>	252164				
<b>Last 4 of Social</b>	5335				
<b>Age at Application</b>	54 years 2 months				
<b>Disability Type</b>	Non-Duty				
<b>Service Credit</b>	10-03				
<b>Effective Date</b>	03/08/2010				
<b>Conversion Data</b>	11/28/2015				
<b>Date of Application</b>	1/27/2010				
<b>Date of Disability</b>	10/20/09				
<b>Workers' Comp.</b>	No Workers Comp				

WILLIAMS GRIFFIN, SR. - 225703

BY MR. GRACIA – SUPPORTED BY MR. COOK

RESOLVED, THAT THE BOARD ACCEPT THE REPORT AND RECOMMENDATION OF ITS MEDICAL DIRECTOR REGARDING WILLIAMS GRIFFIN, SR., AND BE IT FURTHER

RESOLVED, THAT BASED UPON THE BOARD'S MEDICAL DIRECTOR'S RECOMMENDATION, THE BOARD HEREBY APPROVES MR. GRIFFIN'S APPLICATION FOR DUTY DISABILITY RETIREMENT, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO MR. GRIFFIN:

Yeas – Trustees Brooks, Cook, Gracia, Johnson and Chairperson S. Kneeshaw – 5

Nays – None

TRUSTEE JENKINS ENTERED THE MEETING.

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LOLESIA K. JACKSON

BY MR. GRACIA – SUPPORTED BY MR. COOK

RESOLVED, THAT THE BOARD ACCEPT THE REPORT AND RECOMMENDATION OF ITS MEDICAL DIRECTOR REGARDING LOLESIA K. JACKSON, AND BE IT FURTHER

RESOLVED, THAT BASED UPON THE BOARD'S MEDICAL DIRECTOR'S RECOMMENDATION, THE BOARD HEREBY APPROVES MS. JACKSON'S APPLICATION FOR NON/DUTY DISABILITY RETIREMENT, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO MS. JACKSON:

Yeas – Trustees Brooks, Cook, Gracia, Jenkins, Johnson and Chairperson S. Kneeshaw – 6

Nays – None

TRUSTEE JOHNSON EXCUSED HERSELF.

RE-EXAMINATIONS

BY MR. GRACIA – SUPPORTED BY MR. COOK

RESOLVED, THAT IN ACCORDANCE WITH THE RECOMMENDATION OF THE BOARD'S MEDICAL DIRECTOR, THE FOLLOWING DIRECTIVES BE APPROVED:

RE-EXAMINATIONS

NAME DEPARTMENT DISABILITY TYPE RE-EXAM NUMBER	CONTINUE ON DISABILITY RETIREMENT PAYROLLS WITH NEXT RE-EXAM IN ONE (1) YEAR	CONTINUE ON DISABILITY RETIREMENT PAYROLLS. NO FURTHER RE-EXAMS REQUIRED	CONTINUE ON DISABILITY RETIREMENT PAYROLLS. MUST RECEIVE NEXT RE-EXAM IN DETROIT, MICHIGAN
5283 – RAMONA BULLOCK – HEALTH – DUTY – 3RD	X		

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CONTINUATION OF RE-EXAMINATIONS

NAME DEPARTMENT DISABILITY TYPE RE-EXAM NUMBER	CONTINUE ON DISABILITY RETIREMENT PAYROLLS WITH NEXT RE-EXAM IN ONE (1) YEAR	CONTINUE ON DISABILITY RETIREMENT PAYROLLS. NO FURTHER RE-EXAMS REQUIRED	CONTINUE ON DISABILITY RETIREMENT PAYROLLS. MUST RECEIVE NEXT RE-EXAM IN DETROIT, MICHIGAN
4671 – JEANETTE HENRY – FIRE – NON-DUTY – 1ST		X	
4469 – MICHAEL HINDS – WATER AND SEWERAGE – DUTY – 2ND	X		
8544 – MARKEISE HOGAN – TRANSPORTATION – NON-DUTY – 2ND	X		
6800 – WANDA JENKINS – FIRE – DUTY – 2ND	X		
2554 – ANNIE KNIGHT – HUMAN RESOURCES – NON-DUTY – 4TH	X		
8139 – AHMAD MADISON – WATER AND SEWERAGE – DUTY – 2ND	X		
8827 – BOBBY MOORE – TRANSPORTATION – DUTY – 3RD	X		
5479 – LAWRENCE STEVENSON – WATER AND SEWERAGE – DUTY – 4TH	X		
5884 – DONNA VAUGHAN – BUILDINGS AND SAFETY – DUTY – 3RD		X	
1773 – BARBARA AYERS – WATER AND SEWERAGE – NON-DUTY – 5TH	X		
3885 – CHRISTOPHER E. MITCHELL – TRANSPORTATION – NON-DUTY – 3RD		X	

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CONTINUATION OF RE-EXAMINATIONS

Yeas – Trustees Brooks, Cook, Gracia, Jenkins and Chairperson S. Kneeshaw – 5

Nays – None

TRUSTEE JENKINS EXCUSED HERSELF AT 10:30 A.M. AND THE BOARD'S QUORUM WAS LOST.

TRUSTEE COOK EXCUSED HIMSELF.

TRUSTEE JOHNSON RE-JOINED THE MEETING.

TRUSTEE CLARK JOINED THE MEETING AT 11:59 A.M. AND THE BOARD'S QUORUM WAS RESTORED.

PYRAMIS GLOBAL ADVISORS

**JOSEPH MORGART AND GERARD BRANKA** DISCUSSED STRATEGY AND 2009 FOURTH QUARTER PERFORMANCE.

TRUSTEE COOK RE-JOINED THE MEETING DURING PYRAMIS' PRESENTATION.

SERVICE RETIREMENTS

BY MR. GRACIA – SUPPORTED BY MR. BROOKS

RESOLVED, THAT THE SERVICE RETIREMENT APPLICATIONS WHICH ARE OUTLINED BELOW BE APPROVED:

**SERVICE RETIREMENTS**

NAME, TITLE, DEPARTMENT	Tyrone Burton – Senior Clerk – Election Commission
SERVICE CREDIT	29-05
EFFECTIVE DATE	01-18-10
NAME, TITLE, DEPARTMENT	Randolph N. Chytyk – Property Guard – General Services
SERVICE CREDIT	15-10
EFFECTIVE DATE	10-31-09

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**SERVICE RETIREMENTS**

NAME, TITLE, DEPARTMENT	Michael O. Ewing – Refuse Col Foreman - DPW
SERVICE CREDIT	30-08
EFFECTIVE DATE	01-29-10
NAME, TITLE, DEPARTMENT	Kenneth M. Meisel – Asst EMS Supervisor Grade II – Fire (Civilian)
SERVICE CREDIT	32-01
EFFECTIVE DATE	02-04-10
NAME, TITLE, DEPARTMENT	Theodore R. Norwood – TEO - Transportation
SERVICE CREDIT	12-04
EFFECTIVE DATE	01-28-10
NAME, TITLE, DEPARTMENT	Ernest Peltier – Clerk – Water & Sewerage
SERVICE CREDIT	64-06
EFFECTIVE DATE	01-29-10
NAME, TITLE, DEPARTMENT	Carol Rizzo – Principal Clerk – Water & Sewerage
SERVICE CREDIT	26-04
EFFECTIVE DATE	01-20-10
NAME, TITLE, DEPARTMENT	Zenobia Smith – Sr. P&P Clerk – Human Resources
SERVICE CREDIT	12-03
EFFECTIVE DATE	01-07-10
NAME, TITLE, DEPARTMENT	Son Taylor, Jr. – Street Lighting Maintenance Worker – Public Lighting
SERVICE CREDIT	22-01
EFFECTIVE DATE	12-14-09
NAME, TITLE, DEPARTMENT	Larry L. Walker – Service Guard Public Utilities – Water & Sewerage
SERVICE CREDIT	11-07
EFFECTIVE DATE	02-01-10
NAME, TITLE, DEPARTMENT	Vernita Wardlow – Neighborhood Service Representative - Mayor's Office
SERVICE CREDIT	13-07
EFFECTIVE DATE	02-15-10

YEAS – TRUSTEES BROOKS, CLARK, COOK, GRACIA, JOHNSON AND CHAIR-  
PERSON S. KNEESHAW – 6

NAYS – NONE

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EARLY RETIREMENT

BY MR. CLARK – SUPPORTED BY MR. GRACIA

RESOLVED, THAT THE EARLY RETIREMENT APPLICATION WHICH IS OUTLINED BELOW BE APPROVED:

EARLY RETIREMENT

NAME, TITLE, DEPARTMENT	Frank J. Harla – Plumber – General Services
SERVICE CREDIT	25-09
EFFECTIVE DATE	01-16-10

YEAS – TRUSTEES BROOKS, CLARK, COOK, GRACIA, JOHNSON AND CHAIRPERSON S. KNEESHAW – 6

NAYS – NONE

VESTED RETIREMENTS

BY MS. JOHNSON – SUPPORTED BY MR. GRACIA

RESOLVED, THAT THE VESTED RETIREMENT APPLICATIONS WHICH ARE REFERENCED BELOW BE APPROVED:

VESTED RETIREMENTS

NAME, TITLE, DEPARTMENT	Unice E. Dyson – TEO - Transportation
SERVICE CREDIT	14-0
EFFECTIVE DATE	09-01-02

NAME, TITLE, DEPARTMENT	Anna J. Henry – Sr. Analytical Chemist – Water & Sewerage
SERVICE CREDIT	07-10
EFFECTIVE DATE	03-01-10

NAME, TITLE, DEPARTMENT	Patrick Kelly – Principal Governmental Analyst – Water & Sewerage
SERVICE CREDIT	19-07
EFFECTIVE DATE	11-01-05

NAME, TITLE, DEPARTMENT	Tyrone G. Williams – Rec Center Supervisor Grade I - Recreation
SERVICE CREDIT	11-02
EFFECTIVE DATE	01-01-10

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VESTED RETIREMENTS - CONTINUED

YEAS – TRUSTEES BROOKS, CLARK, COOK, GRACIA, JOHNSON AND CHAIR-  
PERSON S. KNEESHAW – 6

NAYS – NONE

CONFIRMATIONS

BY MR. GRACIA – SUPPORTED BY MR. COOK

RESOLVED, THAT THE RECEIPTS AND DISBURSEMENTS WHICH ARE OUTLINED  
AT THE END OF THESE PROCEEDINGS BE CONFIRMED:

YEAS – TRUSTEES BROOKS, CLARK, COOK, GRACIA, JOHNSON AND CHAIR-  
PERSON S. KNEESHAW – 6

NAYS – NONE

1973 DEFINED CONTRIBUTION PLAN

BY MR. BROOKS – SUPPORTED BY MR. COOK

RESOLVED, THAT THE **GENERAL RETIREMENT SYSTEM** 1973 DEFINED  
CONTRIBUTION PLAN LOAN REQUEST LIST, SUBMITTED THIS DATE, BE  
APPROVED AND THE AMOUNT OF **\$363,519.00**, BE DISBURSED PENDING  
AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

YEAS – TRUSTEES BROOKS, CLARK, COOK, GRACIA, JOHNSON AND CHAIR-  
PERSON S. KNEESHAW – 6

NAYS – NONE

WALKER & DUNLOP

**PAUL BERNARD** AND **AARON PERLIS** DISCUSSED WALKER AND DUNLOP'S  
BALANCED REAL ESTATE FUND I, L.P. FOR THE QUARTER ENDED DECEMBER  
31, 2009 AND THEIR MULTI-FAMILY INTERIM LOAN PROGRAM.

TRUSTEE ANTHONY RE-JOINED THE MEETING DURING WALKER AND  
DUNLOP'S PRESENTATION.

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NEW ENGLAND PENSION CONSULTANTS

**DORIS EWING** AND **RICHARD CHARLTON** (FOUNDER, CHAIRMAN AND CEO) INFORMED THE BOARD OF MS. EWING'S IMPENDING RETIREMENT (AUGUST OR SEPTEMBER OF THIS YEAR) AND THANKED THE BOARD FOR ITS SUPPORT OF NEPC. THE BOARD WISHED MS. EWING WELL.

UBS/CLO

**FLOYD ALLEN, MARC L NEWMAN, KEVIN CAMPBELL** AND **E. POWELL MILLER** DISCUSSED THE LOSSES THE GRS INCURRED ARISING FROM ITS INVESTMENT IN ACADIA CLO I, LTD.

TRUSTEES COOK AND BROOKS EXCUSED THEMSELVES.

Conference

By Mr. Gracia – Supported by Mr. Clark

Resolved, That the Board approve the attendance of all Trustees, the Executive Secretary and the Assistant Executive Secretary at the below-referenced conference, and be it further

Resolved, That the Board approve expenditures for all Trustees, the Executive Secretary and the Assistant Executive Secretary to attend said conference:

New England Pension Consultants' Public Funds Workshop  
Phoenix, Arizona  
March 29, 2010 – March 30, 2010

YEAS – TRUSTEES ANTHONY, CLARK, GRACIA, JOHNSON AND CHAIRPERSON S. KNEESHAW – 5

NAYS – NONE

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ACADIA CLO I, LTD. LITIGATION

BY MR. GRACIA – SUPPORTED BY MS. JOHNSON

**WHEREAS**, the General Retirement System has sustained losses from a \$20,000,000.00 investment in Acadia CLO I, Ltd., involving primarily Miller & Jacobs Capital, LLC and UBS AG Stamford Branch; and,

**WHEREAS**, the Board of Trustees has a fiduciary responsibility to protect the interests of the General Retirement System; and

**WHEREAS**, on May 14, 2008, the Board retained Floyd E. Allen & Associates, P.C. (“FEA”) as its legal counsel to review this transaction and all available files, to coordinate and discuss the transaction with the General Counsel, and to ultimately report to the Board of Trustees on its findings; and,

**WHEREAS**, pursuant to this agreement, FEA prepared an Opinion on July 25, 2008, presenting the facts and legal authorities applicable to the transaction, and subsequently reported its findings to the Board of Trustees; and,

**WHEREAS**, FEA subsequently prepared a revised Opinion on January 22, 2010, precipitated by recent legal developments, and reported its findings to the Board of Trustees on March 17, 2010; and,

**WHEREAS**, FEA reported its revised findings to the Board, and recommended that the Board resolve to approve litigation against all parties potentially responsible for the Board’s losses arising from its investment in Acadia CLO I, Ltd., with itself and The Miller Law Firm, P.C. (“Miller Firm”), represented at the Meeting by E. Powell Miller, Esq. and Marc L. Newman, Esq., as co-counsel in the prosecution of this matter; and,

**WHEREAS**, FEA advised the Board of alternative fee arrangements for the legal services associated with litigation, including hourly compensation under a retainer agreement, a contingency fee agreement, and a hybrid arrangement; and,

**IT IS HEREBY RESOLVED**, that FEA is retained as special legal counsel, and the Miller Firm is approved as its co-counsel, pursue the recovery through litigation of all potential damages arising from the Board’s investment in Acadia CLO I, Ltd., against Miller & Jacobs Capital, LLC and UBS AG Stamford Branch, or any other potentially responsible party, and to do so

ACADIA CLO I, LTD. LITIGATION - CONTINUED

on a thirty percent (30%) contingency fee basis, with out-of-pocket costs to be advanced by Counsel pursuant to the Contingency Fee Agreement; and,

**IT IS HEREBY FURTHER RESOLVED**, that subject to approval as to form by the Board's General Counsel, the Contingency Fee Agreement be executed by two authorized signatories on behalf of the General Retirement System, therefore be it

RESOLVED that a copy of this resolution be forwarded to Floyd E. Allen & Associates, P.C.:

YEAS – TRUSTEES ANTHONY, CLARK, GRACIA, JOHNSON AND CHAIRPERSON S. KNEESHAW – 5

NAYS – NONE

ASSISTANT EXECUTIVE SECRETARY'S REPORTS

CAPITAL CALLS

BY MR. GRACIA – SUPPORTED BY MR. CLARK

WHEREAS, THE BOARD HAS BEEN PRESENTED WITH THE CAPITAL CALLS WHICH ARE REFERENCED AT THE END OF THESE PROCEEDINGS, AND

WHEREAS, THE BOARD HAS BEEN REQUESTED TO APPROVE FUNDING OF SAID CAPITAL CALLS, THEREFORE BE IT

RESOLVED, THAT SUBJECT TO FINAL APPROVAL OF ALL TRANSACTION DOCUMENTS BY THE BOARD'S LEGAL COUNSEL AND SUBJECT TO STAFF AUDIT, THE BOARD APPROVES FUNDING OF SAID CAPITAL CALLS:

YEAS – TRUSTEES ANTHONY, CLARK, GRACIA, JOHNSON AND CHAIRPERSON S. KNEESHAW – 5

NAYS – NONE

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FEES AND EXPENSES

BY MR. GRACIA – SUPPORTED BY MR. 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:

YEAS – TRUSTEES ANTHONY, CLARK, GRACIA, JOHNSON AND CHAIRPERSON S. KNEESHAW – 5

NAYS – NONE

CONTINUATION OF ASSISTANT EXECUTIVE SECRETARY'S REPORTS

ASSISTANT EXECUTIVE SECRETARY MYRON TERRELL PROVIDED EACH BOARD AND ADMINISTRATIVE STAFF MEMBER WITH A COPY OF IT SUPERVISOR DENNIS LINET'S MARCH 16, 2010 EMPLOYEE LOAN PROGRAM STATUS UPDATE. HE ALSO PROVIDED THE BOARD AND ADMINISTRATIVE STAFF WITH COPIES OF THE FOLLOWING DOCUMENTS:

MARCH 8, 2010 E-MAIL FROM SEMINOLE FINANCIAL SERVICES INFORMING THE BOARD THAT THE SAS MORTGAGE TRUST/SAS EQUITY REIT THIRD QUARTER MEETING HAS BEEN CHANGED FROM OCTOBER 29, 2010 TO NOVEMBER 5, 2010 AT THE DETROIT ATHLETIC CLUB

MARCH 11, 2010 E-MAIL FROM BRANDYWINE REGARDING MEAG'S (MUNICIPAL ELECTRIC AUTHORITY OF GEORGIA) BUILD AMERICA BOND INVESTMENT

GRS' COLLATERAL REPORTS OF MARCH 15, 2010

JP MORGAN'S AND MESIROW'S GAINS (LOSSES) ATTRIBUTABLE TO CURRENCY OVERLAY ACCOUNTS SINCE INCEPTION THROUGH DECEMBER 18, 2009

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BRANDYWINE/MEAG

AT THE CHAIR'S DIRECTION, BRANDYWINE'S MUNICIPAL ELECTRIC AUTHORITY OF GEORGIA BUILD AMERICA BOND INVESTMENT WILL BE SUBMITTED TO NEPC TO ASCERTAIN WHETHER THE INVESTMENT MEETS THE BOARD'S INVESTMENT GUIDELINES.

REAMS

AT THE CHAIR'S DIRECTION, REAMS' CORE FIXED INCOME ASSET WILL BE SUBMITTED TO LEGAL COUNSEL TO ASCERTAIN WHETHER SAID ASSET IS A BASKET CLAUSE ASSET UNDER PUBLIC ACT 314 SECTION 20 (d).

NET LEASE X REALTY

CHAIRPERSON S. KNEESHAW DIRECTED THAT A COMMUNICATION BE SENT TO NET LEASE X REALTY INFORMING THEM THAT THOUGH APPRECIATE OF THEIR INTEREST, THE BOARD HOLDS NO PRESENT INTEREST IN THEIR WATERFORD STATE LODGE BRIDGE LOAN PROPOSAL.

FISHER INVESTMENTS

CHAIRPERSON S. KNEESHAW DIRECTED THAT FISHER'S SMALL-CAP PROPOSAL BE SUBMITTED TO NEPC FOR REVIEW AND RECOMMENDATION.

TRUSTEE COOK RE-JOINED THE MEETING.

TRUSTEE BROOKS RE-JOINED THE MEETING.

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY MR. CLARK – SUPPORTED BY MR. COOK

RESOLVED, THAT THE CONTRIBUTIONS TO THE ANNUITY SAVINGS FUND BY MEMBERS OF THE GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT, AS SET FORTH ON LIST #6948 IN THE AMOUNT OF \$679,378.91, INCLUDING INTEREST, BE REFUNDED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

YEAS – TRUSTEES ANTHONY, BROOKS, CLARK, COOK, GRACIA, JOHNSON  
AND CHAIRPERSON S. KNEESHAW – 7

NAYS – NONE

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WALKER & DUNLOP

AT THE CHAIR'S DIRECTION, WALKER & DUNLOP'S INTERIM LOAN PROGRAM PROPOSAL WILL BE SUBMITTED TO INVESTMENT ANALYST RICK HUDDLESTON FOR REVIEW AND RECOMMENDATION.

JAFFE, RAITT, HEUER & WEISS/AQUIS, LLC

CHAIRPERSON S. KNEESHAW DIRECTED THAT ANOTHER COMMUNICATION BE SENT TO JAFFE, RAITT, HEUER & WEISS INFORMING THEM THAT THE BOARD STILL HOLDS NO INTEREST IN HEARING THEIR AQUIS PROPOSAL.\*

\*JAFFE, RAITT, HEUER & WEISS' INITIAL PRESENTATION REQUEST (DATED OCTOBER 27, 2009) WAS DENIED BY THE BOARD ON NOVEMBER 23, 2009.

TRUSTEE SUSAN GLASER

TRUSTEE GRACIA INFORMED THE BOARD THAT TRUSTEE SUSAN GLASER WAS RECENTLY RELEASED FROM THE HOSPITAL AND IS ON MEDICAL LEAVE. CHAIRPERSON S. KNEESHAW ASKED TRUSTEE GRACIA TO INFORM TRUSTEE GLASER OF THE BOARD'S WISHES FOR HER SPEEDY RECOVERY, AND TO ASK HER TO NOTIFY (OR HAVE SOMEONE NOTIFY) THE BOARD (EITHER IN WRITING OR BY PHONE) WHEN SHE'S UNABLE TO ATTEND A MEETING.

Blanket Conference

By Mr. Cook – Supported by Mr. Gracia

Resolved, That the Board approve the attendance of all Trustees, the Executive Secretary and the Assistant Executive Secretary at the below-referenced conference, and be it further

Resolved, That the Board approve expenditures for all Trustees, the Executive Secretary and the Assistant Executive Secretary to attend said conference:

National Conference on Public Employee Retirement Systems (NCPERS)\*  
Various locations  
Various dates

\*Public Safety conferences not applicable

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Blanket Conference - Continued

YEAS – TRUSTEES ANTHONY, BROOKS, CLARK, COOK, GRACIA, JOHNSON  
AND CHAIRPERSON S. KNEESHAW – 7

NAYS – NONE

LEGAL COUNSEL'S REPORTS

LEGAL COUNSEL RONALD ZAJAC DISCUSSED VARIOUS MATTERS WITH THE BOARD, INCLUDING THE 1973 EMPLOYEE LOAN PROGRAM, THE RIVERS CASINO AND DAVID VERSUS DAVID.

EMPLOYEE LOAN PROGRAM

THE BOARD HELD A LENGTHY DISCUSSION REGARDING THE EMPLOYEE LOAN PROGRAM AND GENERAL COUNSEL ASKED THE BOARD TO CONSIDER ADOPTING A RESOLUTION APPROVING CERTAIN AMENDMENTS TO THE RULES AND PROCEDURES OF THE PROGRAM.

CHAIRPERSON KNEESHAW ASKED THAT PRIOR TO THE BOARD ADOPTING SAID RESOLUTION, GENERAL COUNSEL PROVIDE THE BOARD WITH A WRITTEN OPINION AS TO WHY HE BELIEVES APPROVAL OF THE SUGGESTED AMENDMENTS DOES NOT REQUIRE CITY COUNCIL APPROVAL.

TRUSTEE JOHNSON'S DISCUSSION WITH GENERAL COUNSEL REGARDING THE AMENDMENTS WAS INTERRUPTED BY TRUSTEE COOK, SO SHE STATED THAT IT'S HIGHLY INAPPROPRIATE AND OFFENSIVE FOR ONE TRUSTEE TO INTERRUPT ANOTHER TRUSTEE, ESPECIALLY WHEN THAT TRUSTEE IS SEEKING CLARIFICATION OF A RESOLUTION FOR THE PURPOSE OF CASTING AN INFORMED VOTE.

TRUSTEE COOK THEN INFORMED MS. JOHNSON THAT HE WAS OFFENDED BY HER COMMENTS BECAUSE SHE'S NEVER EXPRESSED ANY OPPOSITION TO HIS CONVERSATIONS OR DISCUSSIONS BEING INTERRUPTED.

CHAIRPERSON S. KNEESHAW THEN DIRECTED THAT THE RESOLUTION BE VOTED UPON BASED UPON GENERAL COUNSEL'S ADVICE.

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LOAN PROGRAM FOR 1973 DEFINED CONTRIBUTION PLAN

BY MR. GRACIA – SUPPORTED BY MR. COOK

**WHEREAS**, the Board has previously received Rules/Procedures for the 1973 Defined Contributions Plan Employee Loan Program, and

**WHEREAS**, the Board has the authority and responsibility to revise the Rules/Procedures as deemed appropriate by the Board of Trustees under developments as they occur, and

**WHEREAS**, IT Supervisor, Dennis Linet; Special Legal Counsel, Lawrence R. Walker and First Independence Bank, along with the Board's general counsel, Ronald Zajac, have recommended that the following amendments should be made to Section 6 and (a new) Section 15 of the Rules/Procedures:

**6. LOAN REPAYMENT**

The principal amount, together with the interest, shall be repaid to the GRS in equal payroll deductions on a bi-weekly basis over a repayment period provided that:

- (a) The bi-weekly loan payment does not exceed 25% of the Participant Member's bi-weekly net income; and
- (b) For a Loan which is used to acquire a dwelling unit which, within a reasonable period of time, is to be used as the principal residence of the member, the repayment period may not exceed 15 years; and
- (c) For all other Loans, five years

Loan repayments shall be made by deduction from the compensation of the member at the same time the member's contributions to the Retirement System are deducted (if any). In no case shall the amount of the payroll deduction for the Loan repayment be less than twenty dollars (\$20.00) for any two-week period.

When a Loan is disbursed, the GRS will notify active Payroll immediately to begin deducting Loan Payments from the Participant Member's salary bi-weekly.

These deductions will be processed on the soonest date that is administratively feasible following the receipt of the completed loan documentation. From time-to-time, initiation of the loan withholdings

LOAN PROGRAM FOR 1973 DEFINED CONTRIBUTION PLAN - CONTINUED

payments from the participant member's paycheck may not correspond to the amortization schedule prepared by the loan administrator for a participant. In some cases the payroll deduction may occur a week or two prior to the first payment of the amortization schedule and in other cases the payroll deduction may not occur for two payroll periods after the date on the amortization schedule. In either case the participant's loan status will not be jeopardized. However, should an event or delay occur that causes the delay of loan withholdings to exceed two payroll periods, the Plan can offer to the participant the opportunity to make a payment directly to the loan administrator or have the loan re-amortized over the period not to exceed the date described in the Promissory Note. Should the loan be re-amortized the loan administrator will provide the Participant and the Payroll Department a new schedule of loan payments.

The Participant Member cannot suspend Loan Payments. Once a member agrees to the Loan Terms, the Loan must be repaid in full pursuant to the Authorized Payroll Deductions.

**15. 25-YEAR WITHDRAWAL**

According to Section 47-2-8(b) of the City Ordinance, "...employees with twenty-five or more years of service shall be allowed to withdraw either a partial or full amount of their accumulated contributions, one time only".

Participant's that have an outstanding Plan loan balance will be eligible for the twenty-five year benefit providing they meet all of the following criteria:

- (a) The participant is currently employed as a city of Detroit employee
- (b) The participant is current with their outstanding plan loan, and
- (c) The remaining balance in the participants account after the issuance of their 25-year benefit is not less than the outstanding loan balance at the time the benefit is paid

**WHEREAS**, the Board has discussed this matter with general counsel who also recommends under the circumstances, that the Board adopt the Rules/Procedures as indicated above, and

LOAN PROGRAM FOR 1973 DEFINED CONTRIBUTION PLAN - CONTINUED

**WHEREAS**, the Board is in receipt of a memo from Godfrey, Hammel, Danneels & Company, P.C. (per Mr. Calmi) dated March 11, 2010, Therefore be it

**RESOLVED**, That the Rules/Procedures for the 1973 Defined Plan Employee Loan program be amended by adding the aforesaid language to Caption 6 and a new Section 25 be added as indicated above, and be it further

**RESOLVED**, that the Revised Rules/Procedure be prepared as provided to all parties including all Collective Bargaining Associations, and be it further

**RESOLVED**, that a copy of this resolution be forwarded to First Independence Bank; Dennis Linet; Special Legal Counsel, Lawrence R. Walker; and the Accounting Division of the Retirement System:

Rose Ann Lacy  
First Independence National Bank  
44 Michigan Avenue  
Detroit, Michigan 48226

Dennis Linet  
IT Supervisor  
Retirement Systems  
908 Coleman A. Young Municipal Center  
Detroit, Michigan 48226

Lawrence R. Walker  
Guardian Building  
500 Griswold Street  
Suite 1610  
Detroit, Michigan 48226

Lou Calmi  
Godfrey Hammel, Danneels & Co., P.C.  
21420 Greater Mack Avenue  
St. Clair Shores, Michigan 48080

YEAS – TRUSTEES ANTHONY, BROOKS, CLARK, COOK, GRACIA, JOHNSON  
AND CHAIRPERSON S. KNEESHAW – 7

NAYS – NONE

TRUSTEE ANTHONY EXCUSED HIMSELF.

GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT MINUTES  
MEETING NUMBER 3838 – WEDNESDAY – MARCH 17, 2010

Re: David V. David – Pension Number: 206958  
Lapeer County Case No. 08-039912-DO

By Trustee Brooks – Supported by Trustee Johnson

**WHEREAS**, the Board is in receipt of an Domestic Relations Order dated January 5, 2010, which amends/supplements a Judgment of Separate Maintenance dated September 17, 2008, wherein Cynthia S. David is awarded certain rights to the defined benefit plan and defined contribution plan benefits of Kenneth E. David, who retired effective June 26, 2007, and

**WHEREAS**, participant's date of birth is June 26, 1947, and participant has attained 25 years and 02 months, of service credit, and

**WHEREAS**, alternate payee is entitled to claim a portion of participant's defined benefit plan and defined contribution plan which, in effect, have previously been considered withdrawn (participant annuitized his defined contribution plan balance), and

**WHEREAS**, the earliest date that payments from the defined benefit plan and defined contribution plan (per annuitized payments) can be made to the participant or the alternate payee is immediately, and

**WHEREAS**, the Board's policy is to require that the cost for the actuary's calculations is to be borne by the parties to the domestic relations proceedings, and

**WHEREAS**, the court order provides for the parties to share the cost of the actuary's fees, and

**WHEREAS**, said matter had been discussed with legal counsel who has opined that the terms of said court order are consistent with the provisions of the Retirement System and applicable law, therefore be it

**RESOLVED**, that the Board acknowledge receipt of said court order and pay pension benefits consistent with said court order subject to application being filed by the party seeking payment, and further

**RESOLVED**, that a copy of this resolution be IMMEDIATELY attached as the top sheet of the pension file, and other appropriate records be kept for the Retirement System relative to this matter, and further

GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT MINUTES  
MEETING NUMBER 3838 – WEDNESDAY – MARCH 17, 2010

Re: David V. David – Pension Number: 206958  
Lapeer County Case No. 08-039912-DO - CONTINUED

**RESOLVED**, that copies of this resolution be sent to Attorney Christopher M. Ambrose; Attorney Ronald W. Rickard; and Cynthia S. David and Kenneth E. David:

Christopher M. Ambrose, P.C.  
146 South Washington Street  
Oxford, MI 48371

Ronald W. Rickard, P.C.  
331 E. First Street  
Imlay City, MI 48444

Cynthia S. David  
3931 Sleepy Hollow Ct.  
Imlay City, MI 48444

Kenneth E. David  
7783 Brown School Road  
Brown City, MI 48416-9063

YEAS – TRUSTEES BROOKS, COOK, JOHNSON AND CHAIRPERSON S. KNEESHAW – 4

NAYS – TRUSTEES CLARK AND GRACIA – 2

TRUSTEE ANTHONY RE-JOINED THE MEETING.

MONICA CONYERS

LEGAL COUNSEL RONALD ZAJAC INFORMED THE BOARD THAT HE RECEIVED A CALL (WHICH HE HAS NOT YET RETURNED) FROM FORMER TRUSTEE MONICA CONYERS REQUESTING HIS ASSISTANCE IN SECURING AN ATTORNEY TO REPRESENT HER IN A TRUSTEE CAPACITY REGARDING THE TRADEWINDS LITIGATION.

GENERAL RETIREMENT SYSTEM BOARD MEETING OF MARCH 24, 2010

CHAIRPERSON S. KNEESHAW IS EXCUSED FROM THE GENERAL RETIREMENT SYSTEM BOARD MEETING OF MARCH 24, 2010.

CHARTER\* HENDERSON

BY MR. GRACIA – SUPPORTED BY MR. COOK

WHEREAS, THE BOARD HAS ATTEMPTED TO ARRANGE FOR THE REPLACEMENT OF STAFF TO VACANT POSITIONS WITH THE CITY OF DETROIT, EMPLOYER, AND

GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT MINUTES  
MEETING NUMBER 3838 – WEDNESDAY – MARCH 17, 2010

CHARTE\* HENDERSON - CONTINUED

WHEREAS, THE CITY OF DETROIT, EMPLOYER, HAS NOT BEEN ABLE TO MEET THE REQUESTS OF THE RETIREMENT SYSTEMS, THEREFORE BE IT

RESOLVED, THAT THE RETIREMENT SYSTEM HIRE CHARTE\* HENDERSON AS A FULL TIME EMPLOYEE WITH DUTIES AND SALARY COMPARABLE TO A CLERK FOR A PERIOD OF THREE (3) YEARS, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO HEAD ACCOUNTANT MARILYN BERDIJO, THE BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM, AND CHARTE\* HENDERSON:

YEAS – TRUSTEES ANTHONY, BROOKS, CLARK, COOK, GRACIA, JOHNSON  
AND CHAIRPERSON S. KNEESHAW – 7

NAYS – NONE

ADJOURNMENT

There being no further business before the Board, Chairperson S. Kneeshaw adjourned the meeting at 4:23 P.M. until Wednesday, March 24, 2010, at 9:00 A.M. in Room 910 of the Coleman A. Young Municipal Center, Detroit, Michigan 48226.

RESPECTFULLY SUBMITTED,

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MYRON T. TERRELL  
ASSISTANT EXECUTIVE SECRETARY