

**VILLAGE OF GROSSE POINTE SHORES
MINUTES OF PENSION MEETING
MAY 31, 2012**

A meeting of the Commission of the Village of Grosse Pointe Shores, A Michigan City Employees Retirement System was held on Thursday, May 31, 2012 in the Grosse Pointe Shores Municipal Building, 795 Lake Shore Road. The meeting was called to order at 7:35 a.m. by Chairman Vandenberghe.

Present were: Chairman James Vandenberghe
Commissioner Bruce Campbell
Mayor Ted Kedzierski
Commissioner Sgt. James Wardowski
Commissioner Alternate Brett Smith
Interim City Manager Mark Wollenweber

Also present: Mr. George Vitta, of Asset Strategies, Councilmember Kay Felt

Excused: Commissioner/Finance Officer Rhonda Ricketts

APPROVAL OF MINUTES OF THE MEETING HELD ON APRIL 26, 2012

On motion by Chairman Vandenberghe, seconded by Mayor Kedzierski and duly carried, the minutes of the meeting held on April 16, 2012 were approved as submitted 5 - 0.

FINANCIAL STATEMENTS – None

INVESTMENT PERFORMANCE ANALYSIS

Investment Consultant, George Vitta of Asset Strategies, presented his quarterly market report stating the U.S. economy shows signs of a sustained, modest expansion. U.S. stocks posted their best first-quarter return since 1998 and best quarterly performance since the third quarter of 2009. Growth stocks outperformed value stocks, across all capitalizations. Small cap stocks outperformed large cap stocks. Lyster Watson's loss of funds estimated at \$30,000. He has added in yellow, sections on risk in response to the Boards previous request. George indicated that he would discuss the actuarial rate of return at the next meeting of the Board. In response to a question from the Board he indicated that a great number of Michigan plans use a 7.5% assumed rate of return. The latest actuarial report from Sandy Rodwin is expected in August or September.

ALTERNATIVE INVESTMENT MANAGER PRESENTATIONS

Mr. Michael Lucci, Director of Equity Operations of Alidade Capital and Mr. Steve Faliski and Mr. Geoff Langdon each participated in the presentation. Their strategy was explained as they went through their handout. They went through various properties that they have current investments in and explained why they were chosen.

Mr. Jason Jarjosa, Partner of Bloomfield Capital, LLC along with John Dean and Nicholas Coburn presented to the Pension Commission and described the material they handed out. The board discussed both presentations. A decision to proceed with one firm or the other would likely be made at the next meeting.

NEW BUSINESS

The commission discussed the retirement letter received from Lieutenant David Younk.

NEXT MEETING

August 23, 2012, 7:30 a.m.

ADJOURNMENT

The meeting was adjourned at 9:40 a.m.

Mark Wollenweber, Interim City Manager