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**JOURNAL OF PROCEEDINGS - BOARD OF TRUSTEES -
POLICE & FIRE RETIREMENT SYSTEM - CITY OF DETROIT**

**PROCEEDINGS HELD THURSDAY, SEPTEMBER 8, 2005 - 9:00 A.M.
IN THE CONFERENCE ROOM OF THE RETIREMENT SYSTEMS
910 COLEMAN A. YOUNG MUNICIPAL CENTER
DETROIT, MICHIGAN 48226**

PRESENT

Marty Bandemer	Elected Trustee
Gregory Best	Elected Trustee
Gary Christian	Ex/Officio Alternate Trustee
Seth Doyle	Ex/Officio Alternate Trustee
Frank English	Elected Trustee & Vice Chairperson
Laura Isom	Elected Trustee & Chairperson
Sharon McPhail	Ex/Officio Trustee & City Council Member
Timothy Ngare	Ex/Officio Alternate Trustee
George Orzech	Elected Trustee
Paul Stewart	Elected Trustee
Walter Stampor	Executive Secretary
Cynthia Thomas	Assistant Executive Secretary
Janet S. Lenear	Recording Secretary
Ronald Zajac	Legal Counsel
Richard Huddleston	Investment Analyst

EXCUSED

Roger Cheek	Ex/Officio Trustee
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ABSENT

CHAIRPERSON

Laura Isom

VICE CHAIRPERSON

Frank English

ROLL CALL WAS TAKEN AT 9:06 A.M. BY THE BOARD'S RECORDING SECRETARY AND THE MEETING WAS CALLED TO ORDER.

EX/OFFICIO TRUSTEE SETH DOYLE TEMPORARILY EXCUSED HIMSELF.

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY MR. STEWART - SUPPORTED BY MR. BANDEMER

RESOLVED, THAT THE CONTRIBUTIONS TO THE ANNUITY SAVINGS FUND BY MEMBERS OF THE POLICEMEN AND FIREMEN RETIREMENT SYSTEM OF THE CITY OF DETROIT, AS SET FORTH ON LIST #3176 (WHICH IS REFERENCED AT THE END OF THESE PROCEEDINGS), IN THE AMOUNT OF \$470,896.00, INCLUDING INTEREST, BE REFUNDED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

YEAS - TRUSTEES BANDEMER, BEST, ORZECH, STEWART AND VICE CHAIRPERSON ENGLISH - 5

NAYS - NONE

MINUTES OF THURSDAY, AUGUST 25, 2005

BY MR. STEWART - SUPPORTED BY MR. BANDEMER

RESOLVED, THAT THE MINUTES OF THE MEETING HELD THURSDAY, AUGUST 25, 2005 BE APPROVED AS RECORDED AND SUBMITTED BY THE BOARD'S RECORDING SECRETARY:

YEAS - TRUSTEES BANDEMER, BEST, ORZECH, STEWART AND VICE CHAIRPERSON ENGLISH - 5

NAYS - NONE

TRUSTEE LAURA ISOM JOINED THE MEETING.

BILL PAYMENT REQUESTS

BY MR. BANDEMER - SUPPORTED BY MR. STEWART

WHEREAS, THE BOARD IS IN RECEIPT OF THE FOLLOWING BILLINGS REQUESTING PAYMENT FOR SERVICES RENDERED, AND

WHEREAS, THE BOARD IS SATISFIED THAT SERVICES WERE PROVIDED TO THE BOARD AS REQUESTED BY THE BOARD, THEREFORE BE IT

RESOLVED, THAT SUBJECT TO STAFF AUDIT, THE BOARD APPROVE PAYMENT OF SAID BILLINGS:

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

CORPORATE EXPRESS - AUGUST 15, 2005 - \$61.39 - POLICE AND FIRE PORTION OF \$122.77 - OFFICE SUPPLIES

BILL PAYMENT REQUESTS

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

**EARTH LINK - AUGUST 30, 2005 - \$22.72 - POLICE AND FIRE
PORTION OF \$45.44 - OFFICE SUPPLIES**

**EARTH LINK - AUGUST 30, 2005 - \$1,244.98 - POLICE AND FIRE
PORTION OF \$2,489.96 - OFFICE SUPPLIES - ANNUAL INTERNET
SERVICE (TRUSTEES)**

**GABRIEL, ROEDER, SMITH AND COMPANY - SEPTEMBER 1, 2005
- \$4,300.00 - MISCELLANEOUS SEPTEMBER, 2005 SERVICES**

**MCTEVIA AND ASSOCIATES - SEPTEMBER 1, 2005 - \$13,895.40 -
CONSULTING FEES FOR PROVENDER AND CRESCENT PRIVATE
CAPITAL**

**VIKING OFFICE PRODUCTS - AUGUST 12, 2005 - \$150.36 -
POLICE AND FIRE PORTION OF \$300.72 - OFFICE SUPPLIES**

**VIKING OFFICE PRODUCTS - AUGUST 29, 2005 - \$207.74 -
POLICE AND FIRE PORTION OF \$415.48 - OFFICE SUPPLIES**

**WOODFORD CAPITAL MANAGEMENT - AUGUST 31, 2005 -
\$33,683.32 - FINAL 2005 FEES**

**YEAS - TRUSTEES BANDEMER, BEST, ISOM, ORZECH,
STEWART AND VICE CHAIRPERSON ENGLISH - 6**

NAYS - NONE

ROBERT HADACZ

BY MR. ORZECH - SUPPORTED BY MR. BANDEMER

Whereas, The Board of Trustees is in receipt of a letter from the Chief of Police dated August 31, 2005 wherein the Police Department cites the Act 312 Award, Sections 7 and 8, which reads as follows:

7

The Board of Trustees shall not act upon or grant the application filed by an officer who, although he is not capable of performing the full duties of a police officer, has not suffered any diminishment of his base wages or benefits because he is either a) regularly assigned to a position, the full duties of which he is capable of performing; or b) assigned to a restricted duty position, unless the Police Department advises that it intends to seek a disability retirement for the officer in the foreseeable future.

8

The provisions in paragraph seven (7) above are not intended to and will not a) affect the officer's right to seek a disability retirement when no restricted duty position is available; or b) restrict, in any way, the existing authority of the Chief of Police to seek a duty or non-duty disability retirement for an officer or for that officer, at that time, to request a duty or non-duty disability retirement; and

Whereas, An August 19, 2005 duty disability application was submitted to the Board of Trustees by Robert Hadacz, and

ROBERT HADACZ

Whereas, The Police Department states that he is currently regularly assigned to a position, the full duties of which he is capable of performing, and

Whereas, The Board has discussed this matter with Legal Counsel who has given a verbal legal opinion consistent with this motion, Therefore Be It

Resolved, That NO ACTION be taken regarding application for duty disability retirement until further notice, and be it further

Resolved, That Robert Hadacz and the Police Department be afforded a copy of this resolution:

**YEAS - TRUSTEES BANDEMER, BEST, ISOM, ORZECH,
STEWART AND VICE CHAIRPERSON ENGLISH - 6**

NAYS - NONE

VICE CHAIRPERSON ENGLISH RELINQUISHED THE CHAIR TO CHAIRPERSON ISOM.

PAUL GASIOREK

BY MR. STEWART - SUPPORTED BY MR. ENGLISH

WHEREAS, PAUL GASIOREK HAS PRESENTED THE BOARD WITH A REQUEST TO RETURN TO WORK FROM DUTY DISABILITY RETIREMENT, PER ONE-PAGE AUGUST 31, 2005 COMMUNICATION, THEREFORE BE IT

RESOLVED, THAT THE COMPLETE MEDICAL FILE OF MR. GASIOREK BE FORWARDED TO THE BOARD'S MEDICAL DIRECTOR AND THE BOARD'S MEDICAL DIRECTOR BE

PAUL GASIOREK

**REQUESTED TO SCHEDULE A RETURN-TO-WORK EXAMINATION
ON MR. GASIOREK'S BEHALF:**

**YEAS - TRUSTEES BANDEMER, BEST, ENGLISH, ORZECH,
STEWART AND CHAIRPERSON ISOM - 6**

NAYS - NONE

**EX/OFFICIO TRUSTEE GARY CHRISTIAN AND LEGAL COUNSEL
RONALD ZAJAC JOINED THE MEETING.**

EX/OFFICIO TRUSTEE SETH DOYLE RE-JOINED THE MEETING.

CLOSED SESSION

By Mr. Bandemer - Supported by Mr. Doyle

Resolved, That the Board enter into Closed Session:

A Roll Call Vote was taken as follows:

**YEAS - TRUSTEES BANDEMER, BEST, CHRISTIAN, DOYLE,
ENGLISH, ORZECH, STEWART AND CHAIRPERSON
ISOM - 8**

NAYS - NONE

The Board entered into Closed Session at 9:15 A.M.

OPEN SESSION

By Mr. Bandemer - Supported by Mr. Stewart

Resolved, That the Board return to Open Session:

A Roll Call Vote was taken as follows:

**YEAS - TRUSTEES BANDEMER, BEST, CHRISTIAN, DOYLE,
ENGLISH, ORZECH, STEWART AND CHAIRPERSON
ISOM - 8**

NAYS - NONE

The Board returned to Open Session at 9:23 A.M.

LEGAL COUNSEL'S REPORTS

LEGAL COUNSEL RONALD ZAJAC DISCUSSED VARIOUS MATTERS WITH THE BOARD, INCLUDING BOYD COTTRELL, THE REQUEST OF WALTER NOWACK, THE BANK OF NEW YORK, TT INTERNATIONAL, PRE-EMPLOYMENT MILITARY SERVICE CREDIT, IRS AUDITS, CVS, REINHART AND MAHONEY, THE CALPINE CORPORATION, LAWRENCE RUCKER, A PENSION OBLIGATION CERTIFICATE ORDINANCE, WEST VIRGINIA'S PENSION PLAN, THE HINES REIT IN HOUSTON, TEXAS AND THE SYSTEM VERSUS THE CITY OF DETROIT (AMORTIZATION LITIGATION).

CREDITING OF PRE-EMPLOYMENT MILITARY SERVICE CREDIT

LEGAL COUNSEL PROVIDED EACH MEMBER OF THE BOARD WITH A COPY OF A SEPTEMBER 7, 2005 COMMUNICATION FROM THE LAW DEPARTMENT TO LEGAL COUNSEL REGARDING THE ABOVE-CAPTIONED MATTER.

SYSTEM VERSUS THE CITY OF DETROIT (AMORTIZATION LITIGATION)

LEGAL COUNSEL PROVIDED EACH MEMBER OF THE BOARD WITH A COPY OF A SEPTEMBER 6, 2005 COMMUNICATION FROM SPECIAL COUNSEL CHRIS LEGGHIO TO LEGAL COUNSEL REGARDING THE ABOVE-CAPTIONED LITIGATION.

INTERNAL REVENUE SERVICE

LEGAL COUNSEL PROVIDED EACH MEMBER OF THE BOARD WITH A COPY OF AN AUGUST 30, 2005 COMMUNICATION FROM THE IRS TO LEGAL COUNSEL REGARDING ACCOUNT TRANSCRIPT 945.

HINES REIT IN HOUSTON, TEXAS

LEGAL COUNSEL PROVIDED EACH MEMBER OF THE BOARD WITH A COPY OF A SEPTEMBER 2, 2005 COMMUNICATION FROM ROBERT G. LORENTE TO LEGAL COUNSEL REGARDING THE ABOVE-CAPTIONED MATTER.

**THE BANK OF NEW YORK
INDIA INVESTMENT**

BY MR. BANDEMER - SUPPORTED BY MR. STEWART

Whereas, The Board has been requested to execute a FII Application Form and Power of Attorney from FII to HSBC (dated September 8, 2005) relative to the foregoing transaction, and

Whereas, The execution of said documents has been recommended by the Board's custodial bank and

**THE BANK OF NEW YORK
INDIA INVESTMENT**

Whereas, The execution of said documents has been reviewed and approved as to form by the Board's Legal Counsel, and the execution of said documents is consistent with prior action of the Board, Therefore Be It

Resolved, That said documents be executed by two (2) authorized signatories on behalf of the Board, and be it further

Resolved, That the executed original documents be forwarded to the appropriate party, and be it further

Resolved, That the Retirement System retain copies of said executed original documents:

**YEAS - TRUSTEES BANDEMER, BEST, CHRISTIAN, DOYLE,
ENGLISH, ORZECH, STEWART AND CHAIRPERSON
ISOM - 8**

NAYS - NONE

WALTER NOWACK

BY MR. ENGLISH - SUPPORTED BY MR. ORZECH

WHEREAS, WALTER NOWACK HAS PRESENTED THE BOARD WITH A REQUEST TO POP-UP TO A STRAIGHT LIFE FORM OF RETIREMENT, AND

WHEREAS, THE BOARD HAS DISCUSSED THE REQUEST OF MR. NOWACK, THEREFORE BE IT

RESOLVED, THAT THE REQUEST OF WALTER NOWACK BE APPROVED:

WALTER NOWACK

TRUSTEE MARTY BANDEMER EXCUSED HIMSELF.

**CHAIRPERSON ISOM RELINQUISHED THE CHAIR TO VICE
CHAIRPERSON ENGLISH AND EXCUSED HERSELF.**

**FOLLOWING DISCUSSION OF TRUSTEE ENGLISH'S MOTION
REGARDING WALTER NOWACK, TRUSTEE ENGLISH WITHDREW
HIS MOTION AND TRUSTEE ORZECH WITHDREW HIS SUPPORT
OF TRUSTEE ENGLISH'S MOTION.**

CVS CORPORATION SECURITIES LITIGATION

BY MR. ORZECH - SUPPORTED BY MR. DOYLE

**Whereas, The Board has been requested to execute a September
8, 2005 Proof of Claim relative to the foregoing transaction, and**

**Whereas, The execution of said document has been reviewed
and approved as to form by the Board's Legal Counsel, and the
execution of said document is consistent with prior action of the
Board, Therefore Be It**

**Resolved, That said document be executed by two (2) authorized
signatories on behalf of the Board, and be it further**

**Resolved, That the executed original document be forwarded to
the appropriate party, and be it further**

**Resolved, That the Retirement System retain copies of said
executed original document:**

**YEAS - TRUSTEES BEST, CHRISTIAN, DOYLE, ORZECH,
STEWART AND VICE CHAIRPERSON ENGLISH - 6**

NAYS - NONE

TRUSTEE BANDEMER RE-JOINED THE MEETING.

EX/OFFICIO TRUSTEE TIMOTHY NGARE JOINED THE MEETING.

TRUSTEE ISOM RE-JOINED THE MEETING.

**VICE CHAIRPERSON ENGLISH RELINQUISHED THE CHAIR TO
CHAIRPERSON ISOM.**

MAYFIELD GENTRY REALTY ADVISORS

**CHAUNCEY MAYFIELD AND FIVE ASSOCIATES AND SPECIAL
COUNSEL F. LOGAN DAVIDSON APPEARED BEFORE THE BOARD
AND DISCUSSED NEW MARKET TAX CREDIT FINANCING FOR
GRAND PARK CENTRE EXTENSIVELY WITH THE BOARD.**

**EX/OFFICIO TRUSTEE SHARON MCPHAIL ENTERED THE
MEETING DURING MAYFIELD GENTRY'S PRESENTATION.**

**PRIOR TO EXCUSING HIMSELF, MR. DAVIDSON DISCUSSED
MAYFIELD GENTRY'S PROPOSAL WITH THE BOARD.**

EX/OFFICIO TRUSTEE SHARON MCPHAIL EXCUSED HERSELF.

PUGH CAPITAL MANAGEMENT

**MARY PUGH AND AN ASSOCIATE APPEARED BEFORE THE
BOARD, DISCUSSED PERFORMANCE AND THANKED THE BOARD
FOR THE BOARD'S ADDITIONAL \$30,000,000.00 INVESTMENT
WITH PUGH.**

**TRUSTEES BANDEMER AND STEWART TEMPORARILY EXCUSED
THEMSELVES DURING PUGH'S PRESENTATION AND THEN RE-
JOINED THE MEETING.**

THE BOARD THEN EXCUSED MS. PUGH AND HER ASSOCIATE.

CALPINE CLASS ACTION LITIGATION

BY MR. BANDEMER - SUPPORTED BY MR. ORZECH

WHEREAS, THE BOARD IS IN RECEIPT OF A SEPTEMBER 7, 2005 COMMUNICATION FROM SPECIAL COUNSEL KOHN, SWIFT AND GRAF REQUESTING CERTAIN APPROVALS REGARDING THIS CLASS ACTION LITIGATION, AND

WHEREAS, THE BOARD HAS DISCUSSED THIS MATTER, THEREFORE BE IT

RESOLVED, THAT THE BOARD APPROVES RETIRED JUDGE DANIEL WEINSTEIN AS MEDIATOR REGARDING THIS MATTER, AND BE IT FURTHER

RESOLVED, THAT THE EXECUTIVE SECRETARY AND/OR LEGAL COUNSEL OR, IN THE EVENT OF A SCHEDULE CONFLICT, A PERSON DESIGNATED BY CHAIRPERSON ISOM ARE GIVEN AUTHORITY TO AGREE TO A SETTLEMENT AMOUNT SUBJECT TO A MAJORITY VOTE OF THE TRUSTEES POLLED IN PERSON OR PER TELEPHONE, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO DENNIS F. SHIELDS:

YEAS - TRUSTEES BANDEMER, BEST, CHRISTIAN, DOYLE, ENGLISH, NGARE, ORZECH, STEWART AND CHAIRPERSON ISOM - 9

NAYS - NONE

FIRST INDEPENDENCE NATIONAL BANK

BY MR. ORZECH - SUPPORTED BY MR. CHRISTIAN

**WHEREAS, THE BOARD PREVIOUSLY ESTABLISHED ACCOUNTS
AT FIRST INDEPENDENCE NATIONAL BANK, AND**

**WHEREAS, FIRST INDEPENDENCE NATIONAL BANK HAS
REQUESTED THE BOARD TO IDENTIFY A SIGNATORY FOR
PURPOSES OF ANY CHECKS ISSUED REGARDING SAID
ACCOUNTS, AND**

**WHEREAS, THE BOARD HAS DISCUSSED THIS MATTER,
THEREFORE BE IT**

**RESOLVED, THAT THE NAME ON THE CHECK BE THAT OF THE
EXECUTIVE SECRETARY WHO, PRESENTLY, IS WALTER
STAMPOR, AND BE IT FURTHER**

**RESOLVED, THAT A COPY OF THIS RESOLUTION BE
FORWARDED TO FIRST INDEPENDENCE NATIONAL BANK:**

**YEAS - TRUSTEES BANDEMER, BEST, CHRISTIAN, DOYLE,
ENGLISH, NGARE, ORZECH, STEWART AND CHAIR-
PERSON ISOM - 9**

NAYS - NONE

CLARK HILL, P.C.

THE BOARD DISCUSSED MAYFIELD GENTRY'S NEW MARKET TAX CREDIT FINANCING PROPOSAL FOR GRAND PARK CENTRE WITH SPECIAL COUNSEL JOE TURNER, ED HAMMOND AND AN ASSOCIATE VIA SPEAKER-CONFERENCE.

RETIREMENTS

BY MR. BEST - SUPPORTED BY MR. BANDEMER

RESOLVED, THAT THE APPLICATION FOR RETIREMENT WHICH IS REFERENCED BELOW BE APPROVED:

YEAS - TRUSTEES BANDEMER, BEST, CHRISTIAN, DOYLE, ENGLISH, NGARE, ORZECH, STEWART AND CHAIRPERSON ISOM - 9

NAYS - NONE

RETIREMENT

NAME, TITLE, DEPARTMENT	ALBERT RICHARDSON - FIRE DEPARTMENT CHIEF - FIRE
RETIREMENT, PLAN, OPTION, POP-UP SERVICE CREDIT	SERVICE - NEW - A-C 36 02 29
APPLICATION DATE, EFFECTIVE DATE	08 26 05 - 09 01 05

CHAIRPERSON ISOM RELINQUISHED THE CHAIR TO VICE CHAIRPERSON ENGLISH AND THEN EXCUSED HERSELF.

CREDIT SUISSE FIRST BOSTON (CSFB)

BY MR. ORZECH - SUPPORTED BY MR. BEST

WHEREAS, The Board has terminated its investment management agreement with Woodford Capital Management, and

WHEREAS, The Board has directed that the assets held in the account formerly managed by Woodford Capital Management be re-deployed into the S & P 500 Index account managed by Merrill Lynch, and

WHEREAS, The Board has solicited proposals from its brokers of record to provide transition management services with respect to the foregoing, and

WHEREAS, The Board has discussed this matter with staff on this date, Therefore Be It

RESOLVED, That the Board engage the services of Credit Suisse First Boston (CSFB) to transition the assets from the account formerly managed by Woodford Capital Management to the Merrill Lynch S & P 500 Index account, and be it further

RESOLVED, That a copy of this resolution be forwarded to Credit Suisse First Boston (CSFB):

**YEAS - TRUSTEES BANDEMER, BEST, CHRISTIAN, DOYLE,
NGARE, ORZECH, STEWART AND VICE CHAIRPERSON
ENGLISH - 8**

NAYS - NONE

PUBLIC FORUM

AT 1:50.M., VICE CHAIRPERSON ENGLISH DECLARED THE MEETING IN OPEN FORUM FOR GENERAL DISCUSSION BY THE PUBLIC ATTENDING THE MEETING.

ADJOURNMENT

THERE BEING NO FURTHER BUSINESS BEFORE THE BOARD, VICE CHAIRPERSON ENGLISH ADJOURNED THE MEETING AT 1:55 P.M. UNTIL THURSDAY, SEPTEMBER 15, 2005, AT 9:00 A.M., IN ROOM 910 OF THE COLEMAN A. YOUNG MUNICIPAL CENTER, DETROIT, MICHIGAN 48226.

RESPECTFULLY SUBMITTED,

ASSISTANT EXECUTIVE SECRETARY

