

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

**PROCEEDINGS HELD THURSDAY, FEBRUARY 23, 2006 - 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
Jeffrey Beasley	Ex/Officio 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
George Orzech	Elected Trustee
Paul Stewart	Elected Trustee
Alberta Tinsley-Talabi	Ex/Officio Trustee
Walter Stampor	Executive Secretary
Cynthia Thomas	Assistant Executive Secretary
Janet S. Lenear	Recording Secretary
Ronald Zajac	Legal Counsel
Richard Huddleston	Investment Analyst
Reginald O'Neal	Medical Director

EXCUSED

None

ABSENT

None

CHAIRPERSON

Laura Isom

VICE CHAIRPERSON

Frank English

ROLL CALL WAS TAKEN AT 9:08 A.M. BY THE BOARD'S RECORDING SECRETARY AND THE MEETING WAS CALLED TO ORDER.

CLOSED SESSION

By Mr. Bandemer - Supported by Mr. English

Whereas, The Board's Medical Director is now before this Body to discuss the medical and psychiatric reports of the individuals whose names are designated on the pages which follow relative to their disability retirement applications and re-examinations, Therefore Be It

Resolved, That the Board enter into Closed Session:

A Roll Call vote was taken as follows:

Yeas - Trustees Bandemer, Beasley, Best, Christian, Doyle, English, Orzech, Stewart and Chairperson Isom - 9

Nays - None

The Board entered into Closed Session at 9:09 A.M.

OPEN SESSION

By Mr. Bandemer - Supported by Mr. Best

Resolved, That the Board return to Open Session:

A Roll Call vote was taken as follows:

**Yeas - Trustees Bandemer, Beasley, Best, Christian, Doyle,
English, Orzech, Stewart, Talabi and Chairperson Isom -
10**

Nays - None

**The Board returned to Open Session at 10:20 A.M. and Medical
Director Reginald O'Neal was excused for the remainder of the
Meeting.**

DISABILITY RETIREMENT APPLICATIONS

NAME, TITLE, DEPARTMENT	MARK MIMS - LIEUTENANT - FIRE
DISABILITY, PLAN, FILING DATE	DUTY - MAY 20, 2005

DOCTOR'S RECOMMENDATION	DUTY RELATED DISABILITY
BOARD ACTION	APPROVE

NAME, TITLE, DEPARTMENT	KAREN FRABOTTA - LIEUTENANT - POLICE
DISABILITY, PLAN, FILING DATE	DUTY - NEW - NOVEMBER 7, 2005

DOCTOR'S RECOMMENDATION	NOT TOTALLY AND PERMANENTLY DISABLED
BOARD ACTION	DENY

RE-EXAMINATIONS

NAME DEPARTMENT DISABILITY TYPE RE-EXAM NUMBER	CONTINUE ON DISABILITY RETIREMENT PAYROLLS WITH NEXT EXAM IN 1 YEAR	NO FURTHER EXAMS REQUIRED	MUST RECEIVE NEXT EXAM IN DETROIT
ARNOLD ALLEN - FIRE - DUTY - 2	X		
DEBORAH CARTER - FIRE - DUTY - 3	X		
GREGORY FREEMAN - FIRE - DUTY - 3	X		
PAUL FRIDAY - FIRE - DUTY - 2	X		
PAUL JONES - POLICE - NON/DUTY - 6	X		
MICHELLE LOFTON - POLICE - DUTY - 2	X		
RONALD LOPEZ - FIRE - DUTY - 2	X		
BOBBY RICHARDSON - FIRE - DUTY - 3	X		

MARK MIMS

BY MR. ORZECH - SUPPORTED BY MR. BANDEMER

WHEREAS, MARK MIMS FILED A MAY 20, 2005 APPLICATION FOR DUTY DISABILITY RETIREMENT, AND

WHEREAS, THE BOARD'S MEDICAL DIRECTOR HAS OPINED THAT MR. MIMS IS DISABLED FOR FULL DUTY, THEREFORE BE IT

RESOLVED, THAT THE BOARD ACCEPT THE FINDING OF ITS MEDICAL DIRECTOR REGARDING MR. MIMS, AND BE IT FURTHER

RESOLVED, THAT THE BOARD FINDS THAT MARK MIM'S DISABILITY RESULTED FROM PERFORMANCE OF DUTY, AND BE IT FURTHER

RESOLVED, THAT MR. MIMS' APPLICATION FOR DUTY DISABILITY RETIREMENT BE HEREBY APPROVED:

■ EX/OFFICIO TRUSTEE ALBERTA TINSLEY-TALABI ENTERED THE MEETING.

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

NAYS - NONE

ABSTAIN - TRUSTEE TALABI - 1

KAREN FRABOTTA

BY MR. CHRISTIAN - SUPPORTED BY MR. DOYLE

WHEREAS, KAREN FRABOTTA FILED A NOVEMBER 7, 2005 APPLICATION FOR DUTY DISABILITY RETIREMENT, AND

WHEREAS, THE BOARD'S MEDICAL DIRECTOR HAS OPINED THAT MS. FRABOTTA IS NOT TOTALLY AND PERMANENTLY DISABLED, THEREFORE BE IT

RESOLVED, THAT THE BOARD ACCEPT THE FINDING OF ITS MEDICAL DIRECTOR REGARDING MS. FRABOTTA, AND BE IT FURTHER

RESOLVED, THAT MS. FRABOTTA'S APPLICATION FOR DUTY DISABILITY RETIREMENT BE DENIED AND SHE BE APPRISED OF HER RIGHT TO APPEAL

KAREN FRABOTTA

SAID DENIAL PURSUANT TO PROCEDURES ESTABLISHED BY COLLECTIVE BARGAINING:

YEAS - TRUSTEES BEASLEY, CHRISTIAN, DOYLE, ORZECH, TALABI AND CHAIRPERSON ISOM - 6

NAYS - TRUSTEES BANDEMER, BEST, ENGLISH AND STEWART - 4

RE-EXAMINATIONS

BY MR. BEST - SUPPORTED BY MR. CHRISTIAN

RESOLVED, THAT IN ACCORDANCE WITH THE RECOMMENDATION OF THE BOARD'S MEDICAL DIRECTOR, THE RETIRANTS WHOSE NAMES ARE DESIGNATED ON PAGE 4 BE CONTINUED ON THE DISABILITY RETIREMENT PAYROLLS:

YEAS - TRUSTEES BANDEMER, BEASLEY, BEST, CHRISTIAN, DOYLE, ENGLISH, ORZECH, STEWART, TALABI AND CHAIRPERSON ISOM - 10

NAYS - NONE

MAYFIELD GENTRY REALTY ADVISORS

CHAUNCEY MAYFIELD AND SEVERAL ASSOCIATES APPEARED BEFORE THE BOARD, DISCUSSED PROPERTY ACQUISITIONS AND THEN EXCUSED THEMSELVES.

■ EX/OFFICIO TRUSTEE DOYLE EXCUSED HIMSELF.

TOUCHSTONE

BY MR. BEST - SUPPORTED BY MR. ORZECH

Whereas, The Board has been presented with a February 21, 2006 communication from Touchstone wherein Touchstone requests that the Board fund its portion of the Capital Installment due for Touchstone Opportunity Investments II, Limited in the amount of \$1,396,153.85, Therefore Be It

Resolved, That subject to final approval of all transaction documents by the Board's Legal Counsel, the Board approve said funding:

TOUCHSTONE

**YEAS - TRUSTEES BANDEMER, BEASLEY, BEST, CHRISTIAN, ENGLISH,
ORZECH, STEWART, TALABI AND CHAIRPERSON ISOM - 9**

NAYS - NONE

RETIREMENTS

BY MR. STEWART - SUPPORTED BY MR. BANDEMER

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

**YEAS - TRUSTEES BANDEMER, BEASLEY, BEST, CHRISTIAN, ENGLISH,
ORZECH, STEWART, TALABI AND CHAIRPERSON ISOM - 9**

NAYS - NONE

RETIREMENTS

NAME, TITLE, DEPARTMENT

**CLEOPHUS MCDONALD - LIEUTENANT -
POLICE**

RETIREMENT, PLAN

SERVICE - NEW

SERVICE CREDIT

27 03 01

EFFECTIVE DATE

01 25 06

NAME, TITLE, DEPARTMENT

**WILLIAM RICE - POL. INS. - NU. POL. UNI.
- POLICE**

RETIREMENT, PLAN

SERVICE - NEW

SERVICE CREDIT

35 02 01

EFFECTIVE DATE

02 22 06

CONFIRMATIONS

THE BOARD RECEIVED THE SUM OF **\$238,254.56** ON FEBRUARY 14, 2006 FROM MFH PREFERRED SHARES (MMA REALTY CAPITAL)

THE BOARD RECEIVED THE SUM OF **\$9,942.40** ON FEBRUARY 17, 2006 FROM CANYON-JOHNSON'S URBAN FUND

THE BOARD RECEIVED THE SUM OF **\$500,000.00** ON FEBRUARY 17, 2006 FROM MAYFIELD GENTRY

CONFIRMATIONS

BY MR. BEST - SUPPORTED BY MR. STEWART

RESOLVED, THAT THE RECEIPTS WHICH ARE OUTLINED ABOVE BE CONFIRMED:

YEAS - TRUSTEES BANDEMER, BEASLEY, BEST, CHRISTIAN, ENGLISH, ORZECH, STEWART, TALABI AND CHAIRPERSON ISOM - 9

NAYS - NONE

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY MR. STEWART - SUPPORTED BY MR. ENGLISH

RESOLVED, THAT THE CONTRIBUTIONS TO THE ANNUITY SAVINGS FUND BY MEMBERS OF THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT, AS SET FORTH ON LIST #3192 (WHICH IS REFERENCED AT THE END OF THESE PROCEEDINGS), IN THE AMOUNT OF \$482,159.47, INCLUDING INTEREST, BE REFUNDED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

YEAS - TRUSTEES BANDEMER, BEASLEY, BEST, CHRISTIAN, ENGLISH, ORZECH, STEWART, TALABI AND CHAIRPERSON ISOM - 9

NAYS - NONE

MINUTES OF THURSDAY, FEBRUARY 9, 2006

BY MR. BEST - SUPPORTED BY MR. ORZECH

RESOLVED, THAT THE MINUTES OF THE MEETING HELD THURSDAY, FEBRUARY 9, 2006 BE APPROVED AS RECORDED AND SUBMITTED BY THE BOARD'S RECORDING SECRETARY:

YEAS - TRUSTEES BANDEMER, BEASLEY, BEST, CHRISTIAN, ENGLISH, ORZECH, STEWART, TALABI AND CHAIRPERSON ISOM - 9

NAYS - NONE

BILL PAYMENT REQUESTS

BY MR. ORZECH - SUPPORTED BY MR. BANDEMER

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:

ADP - FEBRUARY 10, 2006 - \$3,969.16 - POLICE AND FIRE PORTION OF \$7,938.32 - CONTRACT/MISCELLANEOUS SERVICES - ACCOUNTS RECEIVABLE NUMBER 00191-205022

BLACKROCK - FEBRUARY 15, 2006 - \$96,409.00 - 2005 FOURTH QUARTER FEES

COUZENS LANSKY - FEBRUARY 16, 2006 - \$3,097.99 - SERVICES RENDERED - INDIA HYDROPOWER

FORMS TRAC - FEBRUARY 17, 2006 - \$154.73 - POLICE AND FIRE PORTION OF \$309.46 - PRINTING COSTS (ENVELOPES)

GABRIEL, ROEDER, SMITH & CO. - FEBRUARY 22, 2006 - \$500.00 - MISCELLANEOUS FEE (ELIGIBLE DOMESTIC RELATIONS ORDER)

BILL PAYMENT REQUESTS

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

IKON OFFICE SOLUTIONS - FEBRUARY 13, 2006 - \$118.49 - POLICE AND FIRE PORTION OF \$236.99 - OFFICE SUPPLIES

PAYDEN & RYGEL - FEBRUARY 13, 2006 - \$42,439.00 - JANUARY, 2006 MANAGEMENT FEES

QUILL CORPORATION - FEBRUARY 7, 2006 - \$5.09 - POLICE AND FIRE PORTION OF \$10.17 - OFFICE SUPPLIES

QUILL CORPORATION - FEBRUARY 7, 2006 - \$45.08 - POLICE AND FIRE PORTION OF \$90.15 - OFFICE SUPPLIES

QUILL CORPORATION - FEBRUARY 8, 2006 - \$56.25 - POLICE AND FIRE PORTION OF \$112.49 - OFFICE SUPPLIES

RETIREMENT SYSTEMS' EMPLOYEE PAYROLL - FEBRUARY 8, 2006 - \$19,572.42 - POLICE AND FIRE PORTION OF \$39,144.85 - EMPLOYEE PAYROLL FOR THE PERIOD JANUARY 30, 2006 THROUGH FEBRUARY 24, 2006

RETIREMENT SYSTEMS - FEBRUARY 8, 2006 - \$3,850.98 - POLICE AND FIRE PORTION OF \$7,701.96 - RETRO PAY ADJUSTMENTS FOR CERTAIN PENSION BUREAU EMPLOYEES

VIKING OFFICE PRODUCTS - FEBRUARY 11, 2006 - \$19.99 - POLICE AND FIRE PORTION OF \$39.98 - OFFICE SUPPLIES

YEAS - TRUSTEES BANDEMER, BEASLEY, BEST, CHRISTIAN, ENGLISH, ORZECH, STEWART, TALABI AND CHAIRPERSON ISOM - 9

NAYS - NONE

LEGAL COUNSEL'S BILLING

BY MR. ENGLISH - SUPPORTED BY MR. BANDEMER

RESOLVED, THAT LEGAL COUNSEL'S BILLING DATED FEBRUARY 9, 2006, FOR THE MONTH OF FEBRUARY, 2006, IN THE AMOUNT OF \$10,324.44, BE APPROVED AND SAID AMOUNT BE PAID PURSUANT TO WIRE-TRANSFER INSTRUCTIONS ON FILE WITH THE SYSTEM:

YEAS - TRUSTEES BANDEMER, BEASLEY, BEST, CHRISTIAN, ENGLISH, ORZECH, STEWART, TALABI AND CHAIRPERSON ISOM - 9

NAYS - NONE

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

TERMINATED MANAGER ACCOUNTS, CLOSING INSTRUCTIONS

BY MR. ORZECH - SUPPORTED BY MR. BANDEMER

WHEREAS, The accounts formerly managed by Capital Guardian (591335), Hyperion (591347), Putnam STMM (591361), MFS STMM (591362), Aeltus (591364), Russell 2000 Growth Index (591375), MFS (5913564), Putnam (5913587) and Aeltus (5913595) have been terminated, and

WHEREAS, There has been no activity in these accounts for 90 days, therefore be it

RESOLVED, That the accounts be closed and any assets remaining in the account be transferred to the liquid reserve account (591355):

YEAS - TRUSTEES BANDEMER, BEASLEY, BEST, CHRISTIAN, ENGLISH, ORZECH, STEWART, TALABI AND CHAIRPERSON ISOM - 9

NAYS - NONE

ACQUISITION AND DEVELOPMENT LOAN PROPOSAL

Presented By: MMA Realty Capital

Date Presented: February 23, 2006

Project Name: Savannah River Landing

Location: Savannah, Georgia

Loan Amount: \$16,600,000.00

By Mr. Orzech - Supported by Mr. English

Whereas, The Board of Trustees is in receipt of an Acquisition and Development Loan Offering with attached loan summary and related documents, THEREFORE BE IT

Resolved, That the Board approve construction financing consistent with established procedures regarding the Board's participation in Acquisition and Development Loan transactions, subject to Legal Counsel approval:

FOLLOWING DISCUSSION OF THE FOREGOING MOTION, THE MOTION WHICH FOLLOWS WAS MADE:

By Mr. Orzech - Supported by Mr. English

Resolved, That the foregoing motion be tabled:

A Roll Call vote was taken as follows:

Yeas - Trustees Bandemer, Beasley, Best, Christian, Doyle, English, Orzech, Stewart, Talabi and Chairperson Isom - 10

Nays - None

CONFERENCE

By Mr. Orzech - Supported by Mr. Stewart

Resolved, That the Board approve the attendance of certain computer consultants and imaging staff at the below-referenced conference, and be it further

Resolved, That the Board approve expenditures for said consultants and staff to attend said conference:

**Global "360" Conference
Las Vegas
May 1, 2006 - May 5, 2006**

**Yeas - Trustees Bandemer, Beasley, Best, Christian, Doyle, English,
Orzech, Stewart, Talabi and Chairperson Isom - 10**

Nays - None

CONFERENCES

By Mr. Orzech - Supported by Mr. Best

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

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

**Investment Institute Conference
California
April 24, 2006 - April 26, 2006**

**National Association of Securities Professionals Conference
New York
June 19, 2006 - June 23, 2006**

CONFERENCES

OPEB Conference

Chicago

March 28, 2006 - March 31, 2006

Finding Direction Conference

Massachusetts

May 7, 2006 - May 10, 2006

**Yeas - Trustees Bandemer, Beasley, Best, Christian, Doyle, English,
Orzech, Stewart, Talabi and Chairperson Isom - 10**

Nays - None

LEGAL COUNSEL' REPORTS

**LEGAL COUNSEL DISCUSSED VARIOUS MATTERS WITH THE BOARD,
INCLUDING THE INTERNAL REVENUE SERVICE, NEIRYNCK VERSUS
NEIRYNCK, FRANKLIN VERSUS FRANKLIN AND WILKINSON VERSUS
WILKINSON.**

**POLICE AND FIRE RETIREMENT SYSTEM/FEDERAL IDENTIFICATION
NUMBER**

**LEGAL COUNSEL PROVIDED EACH MEMBER OF THE BOARD WITH A
COPY OF A FEBRUARY 16, 2006 COMMUNICATION FROM THE
RETIREMENT SYSTEM TO THE IRS REGARDING THE SYSTEM'S
FEDERAL IDENTIFICATION NUMBER.**

BROKER FORUM

**ADRIAN ANDERSON OF NORTH POINT ADVISORS MODERATED AN
EDUCATIONAL BROKER'S FORUM AND REPRESENTATIVES FROM
ICAP, MERRILL LYNCH, MORGAN STANLEY, MCDONALD FINANCIAL,
SMITH BARNEY AND WAYNE CO. DISCUSSED BROKERAGE SERVICES
REGARDING TRADING, PERFORMANCE AND TRANSITIONS.**

**█ EX/OFFICIO TRUSTEE DOYLE EXCUSED HIMSELF DURING THE
BROKER FORUM.**

**NEIRYNCK VERSUS NEIRYNCK
OAKLAND COUNTY CASE #04-700700-DO**

BY MR. ENGLISH - SUPPORTED BY MR. BANDEMER

**WHEREAS, THE BOARD IS IN RECEIPT OF A JULY 22, 2005 DOMESTIC
RELATIONS ORDER WHICH AMENDS/SUPPLEMENTS A JUDGMENT OF
DIVORCE WHEREIN JOSEPHINE NEIRYNCK IS AWARDED CERTAIN
RIGHTS TO THE DEFINED BENEFIT PLAN BENEFITS ONLY OF JAMES
NEIRYNCK WHO RETIRED ON A DUTY DISABILITY EFFECTIVE JULY 18,
1986 WITH A CONVERSION DATE OF SEPTEMBER 17, 1993, AND**

**WHEREAS, PARTICIPANT'S DATE OF BIRTH IS AUGUST 6, 1947, AND,
TO DATE, PARTICIPANT HAS ATTAINED 25 YEARS OF SERVICE
CREDIT, AND**

**WHEREAS, ALTERNATE PAYEE IS NOT ENTITLED TO CLAIM A
PORTION OF PARTICIPANT'S DEFINED CONTRIBUTION PLAN,
BECAUSE ALL AMOUNTS WERE PREVIOUSLY WITHDRAWN FROM THE
DEFINED CONTRIBUTION PLAN, BUT ALTERNATE PAYEE IS ENTITLED
TO CLAIM A PORTION OF PARTICIPANT'S DEFINED BENEFIT PLAN,
AND**

**WHEREAS, THE EARLIEST DATE THAT PAYMENTS FROM THE DEFINED
BENEFIT PLAN CAN BE MADE TO THE PARTICIPANT OR ALTERNATE
PAYEE IS IMMEDIATELY, AND**

**WHEREAS, THE BOARD'S POLICY IS TO REQUIRE THAT THE COST
FOR THE ACTUARY'S CALCULATIONS ARE TO BE BORNE BY THE
PARTIES TO THE DOMESTIC RELATIONS PROCEEDINGS, AND THE
COURT ORDER PROVIDES FOR THE PARTIES TO SHARE THE COST OF
THE ACTUARY'S FEES, AND**

**WHEREAS, SAID MATTER HAS BEEN DISCUSSED WITH LEGAL
COUNSEL WHO HAS OPINED THAT THE APPLICABLE TERMS OF SAID
COURT ORDER ARE CONSISTENT WITH THE PROVISIONS OF THE
RETIREMENT SYSTEM AND APPLICABLE LAW, THEREFORE BE IT**

**NEIRYNCK VERSUS NEIRYNCK
OAKLAND COUNTY CASE #04-700700-DO**

RESOLVED, THAT THE BOARD ACKNOWLEDGE RECEIPT OF SAID COURT ORDER AND PAY PENSION BENEFITS CONSISTENT WITH SAID COURT ORDER, A COPY OF THIS RESOLUTION BE IMMEDIATELY ATTACHED AS THE TOP SHEET OF THE PENSION FILE, OTHER APPROPRIATE RECORDS BE RETAINED BY THE RETIREMENT SYSTEM RELATIVE TO THIS MATTER, AND A COPY OF THIS RESOLUTION BE FORWARDED TO ATTORNEY JUDITH BLUMENO, ATTORNEY RICHARD LIPPETT, JOSEPHINE NEIRYNCK AND JAMES NEIRYNCK:

YEAS - TRUSTEES BANDEMER, BEASLEY, BEST, CHRISTIAN, ENGLISH, ORZECH, STEWART, TALABI AND CHAIRPERSON ISOM - 9

NAYS - NONE

**FRANKLIN VERSUS FRANKLIN
WAYNE COUNTY CASE #01-122318-DO**

BY MR. ENGLISH - SUPPORTED BY MR. BANDEMER

WHEREAS, THE BOARD IS IN RECEIPT OF A FEBRUARY 17, 2006 AMENDED ELIGIBLE DOMESTIC RELATIONS ORDER WHICH AMENDS A PRIOR ORDER DATED OCTOBER 13, 2005, WHICH AMENDS/SUPPLEMENTS AN OCTOBER 11, 2001 JUDGMENT OF DIVORCE WHEREIN JANICE FRANKLIN IS AWARDED CERTAIN RIGHTS TO THE DEFINED BENEFIT PLAN AND DEFINED CONTRIBUTION PLAN BENEFITS OF ROSS FRANKLIN, BUT NOT ANY DISABILITY BENEFITS PRIOR TO THE CONVERSION DATE, AND

WHEREAS, THE BOARD PREVIOUSLY ADOPTED A RESOLUTION ON JANUARY 12, 2006, AND

WHEREAS, PARTICIPANT'S DATE OF BIRTH IS MAY 1, 1956 AND, TO DATE, PARTICIPANT HAS BEEN CREDITED WITH 16 YEARS, 00 MONTHS AND 22 DAYS OF SERVICE CREDIT, AND

WHEREAS, ALTERNATE PAYEE IS ENTITLED TO CLAIM A PORTION OF PARTICIPANT'S DEFINED CONTRIBUTION PLAN, PAYMENT OF WHICH

**FRANKLIN VERSUS FRANKLIN
WAYNE COUNTY CASE #01-122318-DO**

IS SUBJECT TO PARTICIPANT'S ELIGIBILITY FOR WITHDRAWAL FROM DEFINED CONTRIBUTION PLAN, AND ALTERNATE PAYEE IS ENTITLED TO CLAIM A PORTION OF PARTICIPANT'S DEFINED BENEFIT PLAN AFTER THE DATE THE PARTICIPANT IS CREDITED WITH 25 YEARS OF SERVICE CREDIT, AND SUBJECT TO APPLICATION FOR SAME BEING MADE BY THE PARTY SEEKING PAYMENT, AND

WHEREAS, DEFINED CONTRIBUTION PLAN AMOUNTS CAN BE MADE TO THE PARTICIPANT OR ALTERNATE PAYEE UPON PARTICIPANT ATTAINING 25 YEARS OF SERVICE CREDIT, AND THE EARLIEST DATE THAT PAYMENTS FROM THE DEFINED BENEFIT PLAN CAN BE MADE TO THE PARTICIPANT OR ALTERNATE PAYEE IS UPON PARTICIPANT ATTAINING 25 YEARS OF SERVICE CREDIT, AND

WHEREAS, THE BOARD'S POLICY IS TO REQUIRE THAT THE COST FOR THE ACTUARY'S CALCULATIONS ARE TO BE BORNE BY THE PARTIES TO THE DOMESTIC RELATIONS PROCEEDINGS, AND

WHEREAS, SAID MATTER HAS BEEN DISCUSSED WITH LEGAL COUNSEL WHO HAS OPINED THAT THE APPLICABLE TERMS OF SAID COURT ORDER ARE CONSISTENT WITH THE PROVISIONS OF THE RETIREMENT SYSTEM AND APPLICABLE LAW, INCLUDING PUBLIC ACT 46 OF 1991 (MCLA 38.1701), AS APPLICABLE, THEREFORE BE IT

RESOLVED, THAT THE BOARD ACKNOWLEDGE RECEIPT OF SAID COURT ORDER AND PAY PENSION BENEFITS CONSISTENT WITH SAID COURT ORDER, A COPY OF THIS RESOLUTION BE IMMEDIATELY ATTACHED AS THE TOP SHEET OF THE PENSION FILE, OTHER APPROPRIATE RECORDS BE RETAINED BY THE RETIREMENT SYSTEM RELATIVE TO THIS MATTER, AND A COPY OF THIS RESOLUTION BE FORWARDED TO ATTORNEY JANICE BURNS, ATTORNEY WILLIAM JOHNSON, JANICE FRANKLIN AND ROSS FRANKLIN:

YEAS - TRUSTEES BANDEMER, BEASLEY, BEST, CHRISTIAN, ENGLISH, ORZECH, STEWART, TALABI AND CHAIRPERSON ISOM - 9

NAYS - NONE

**WILKINSON VERSUS WILKINSON
WAYNE COUNTY CASE #05-533715-DO**

BY MR. ENGLISH - SUPPORTED BY MR. BANDEMER

Whereas, The Board is in receipt of a request from Keith Wilkinson to have his Option Two with Pop-up A changed to a Straight Life retirement based upon a Court Order terminating the rights of the option beneficiary, and

Whereas, The Board is in receipt of a Court Order dated February 15, 2006 which has been reviewed by the Board's Legal Counsel who has concluded that the Court Order terminates the rights of the option beneficiary, and

Whereas, The action below is consistent with long-standing policies and practices of the Board of Trustees, Therefore Be It

Resolved, That petitioner's request be granted and, effective March 1, 2006, the retirement benefits of petitioner be adjusted from an Option Two with Pop-up A to a Straight Life retirement, and be it further

Resolved, That the Board's actuary be notified of this action, and be it further

Resolved, That a copy of this resolution be forwarded to attorney Jerome Goodman, Keith Wilkinson and Audrey Wilkinson:

**YEAS - TRUSTEES BANDEMER, BEASLEY, BEST, CHRISTIAN, ENGLISH,
ORZECH, STEWART, TALABI AND CHAIRPERSON ISOM - 9**

NAYS - NONE

WASHINGTON PLAZA

BY MR. ORZECH - SUPPORTED BY MR. BANDEMER

WHEREAS, THE BOARD HAS BEEN REQUESTED TO SELECT AN AUDITOR REGARDING THE WASHINGTON PLAZA INVESTMENT, THEREFORE BE IT

RESOLVED, THAT THE REZNICK GROUP IS HEREBY SELECTED TO PROVIDE SAID AUDIT SERVICES, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO LOU VOGT AT BANYAN REALTY ADVISORS:

YEAS - TRUSTEES BANDEMER, BEASLEY, BEST, CHRISTIAN, ENGLISH, ORZECH, STEWART, TALABI AND CHAIRPERSON ISOM - 9

NAYS - NONE

NORTH POINT ADVISORS

THE BOARD DISCUSSED VARIOUS MATTERS OF ADRIAN ANDERSON, INCLUDING THE SYSTEM'S INFORMATIONAL RETIREMENT HANDBOOK.

RETIREMENT SYSTEM RETIREMENT HANDBOOK

BY MR. ORZECH - SUPPORTED BY MR. ENGLISH

RESOLVED, THAT THE BOARD'S INVESTMENT CONSULTANT, NORTH POINT ADVISORS (PER ADRIAN ANDERSON), REVIEW THE PROPOSED RETIREMENT SYSTEM HANDBOOK AND ASSIST IN THE DEVELOPMENT OF CONTENT AND FORMAT OF SAME:

YEAS - TRUSTEES BANDEMER, BEASLEY, BEST, CHRISTIAN, ENGLISH, ORZECH, STEWART, TALABI AND CHAIRPERSON ISOM - 9

NAYS - NONE

ALAN C. YOUNG AND ASSOCIATES, P.C./CAP AUDIT

BY MS. TALABI - SUPPORTED BY MR. BEASLEY

Whereas, The Board has been requested to execute a February 22, 2006 Audit Engagement Letter 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 BANDEMER, BEASLEY, BEST, CHRISTIAN, ENGLISH, ORZECH, STEWART, TALABI AND CHAIRPERSON ISOM - 9

NAYS - NONE

AA CAPITAL PARTNERS

BY MR. STEWART - SUPPORTED BY MR. ENGLISH

WHEREAS, THE BOARD HAS BEEN INFORMED THAT THE PROPOSED AA CAPITAL INVESTMENT CONTEMPLATES UBTI (UNRELATED BUSINESS TAXABLE INCOME), AND

WHEREAS, THE BOARD'S POLICY IS NOT TO INVEST IN INVESTMENTS WHICH GENERATE UBTI, THEREFORE BE IT

AA CAPITAL PARTNERS

RESOLVED, THAT AA CAPITAL PARTNERS BE INFORMED THROUGH SPECIAL COUNSEL (DON WAGNER) THAT THE BOARD'S CONTINUED INTEREST IN THE AA CAPITAL PROPOSED INVESTMENT IS CONTINGENT UPON THE ELIMINATION OF UBTI WITH RESPECT TO THE RETIREMENT SYSTEM, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO SPECIAL COUNSEL DON WAGNER:

YEAS - TRUSTEES BANDEMER, BEASLEY, BEST, CHRISTIAN, ENGLISH, ORZECH, STEWART, TALABI AND CHAIRPERSON ISOM - 9

NAYS - NONE

UBS GLOBAL ASSET MANAGEMENT

BY MR. BANDEMER - SUPPORTED BY MR. STEWART

RESOLVED, THAT KONSTANTIN KOLOSKOV AND ANY ASSOCIATES OF HIS CHOOSING BE REQUESTED TO APPEAR BEFORE THE BOARD TO MAKE AN ALTERNATIVE AND QUANTITATIVE INVESTMENT PRESENTATION TO THE BOARD:

YEAS - TRUSTEES BANDEMER, BEASLEY, BEST, CHRISTIAN, ENGLISH, ORZECH, STEWART, TALABI AND CHAIRPERSON ISOM - 9

NAYS - NONE

PERSEUS

BY MR. STEWART - SUPPORTED BY MS. TALABI

RESOLVED, THAT FRANK PEARL AND ANY ASSOCIATES OF HIS CHOOSING BE REQUESTED TO APPEAR BEFORE THE BOARD TO MAKE A PRIVATE EQUITY FUND MANAGEMENT INVESTMENT PRESENTATION TO THE BOARD:

PERSEUS

**YEAS - TRUSTEES BANDEMER, BEASLEY, BEST, CHRISTIAN, ENGLISH,
ORZECH, STEWART, TALABI AND CHAIRPERSON ISOM - 9**

NAYS - NONE

MAYFIELD GENTRY REALTY ADVISORS, INC.

BY MS. TALABI - SUPPORTED BY MR. CHRISTIAN

**WHEREAS, MAYFIELD GENTRY REALTY ADVISORS, INC. (MGRA) HAS
A DISCRETIONARY CONTRACT WITH THE RETIREMENT SYSTEM
WITHIN CERTAIN LIMITATIONS, AND**

**WHEREAS, MAYFIELD GENTRY REALTY ADVISORS, INC. REQUESTS
BOARD APPROVAL TO PROCEED WITH A PROPOSED ACQUISITION IN
PHOENIX, ARIZONA OF UP TO \$38,897,000, WITH A \$24,000,000.00
EXISTING MORTGAGE, EVEN THOUGH THIS PROPOSED INVESTMENT
EXCEEDS THE DISCRETIONARY CRITERIA GUIDELINES BY
APPROXIMATELY \$8.9 MILLION DOLLARS AND MAYFIELD GENTRY
REALTY ADVISORS, INC., THEREFORE, REQUESTS A DEAL-SPECIFIC
EXEMPTION TO THE ACQUISITION CRITERIA GUIDELINES, AND**

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

**RESOLVED, THAT THE BOARD HEREBY APPROVES THE EXCEPTION
TO THE ACQUISITION CRITERIA GUIDELINES, AND BE IT FURTHER**

**RESOLVED, THAT THE BOARD APPROVES MAYFIELD GENTRY REALTY
ADVISORS, INC.'S PURSUING THIS PROPOSED INVESTMENT, AND BE
IT FURTHER**

**RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO
MAYFIELD GENTRY REALTY ADVISORS, INC.:**

MAYFIELD GENTRY REALTY ADVISORS, INC.

**YEAS - TRUSTEES BANDEMER, BEASLEY, BEST, CHRISTIAN, ENGLISH,
ORZECH, STEWART, TALABI AND CHAIRPERSON ISOM - 9**

NAYS - NONE

NORTH POINT ADVISORS

**THE BOARD DISCUSSED ITS HIGH-YIELD MANAGER SEARCH AND THE
BOARD'S BROKER FORUM WITH ADRIAN ANDERSON.**

PENN CAPITAL (DEFENSIVE INVESTMENT MANAGER)

BY MR. ENGLISH - SUPPORTED BY MR. ORZECH

Whereas, The Board has had the foregoing investment proposal under consideration, the basic and general proposed conditions of which are set forth in previously submitted written materials presented to the Board and discussed this date and at previous meetings, and to which certain modifications and additional requirements may have been added by the Board or Advisors to the Board, per discussion between or with the Board members, and

Whereas, The Board has indicated its willingness to further consider making this proposed investment subject to certain additional terms and modifications of said proposal, which have already been identified by the Board of Trustees and certain additional terms and modifications which will be required after Special Legal Counsel begins to prepare loan investment documents, and

Whereas, The Board's contingent approval is also conditioned upon the understanding that the proposed transaction does not contemplate unrelated Business Taxable Income (UBTI) to the Retirement System as Lender, and

Whereas, The Board will be selecting Special Legal Counsel regarding this proposed investment who is likely to be submitting proposed modifications regarding the proposed transaction to protect the interests of the Retirement System, THEREFORE BE IT

PENN CAPITAL (DEFENSIVE INVESTMENT MANAGER)

Resolved, That subject to the provisions as stated in this resolution, the Board hereby conditionally approves the proposed investment, and indicates its intention to complete the transaction provided all requirements of the Board are met by Borrower and project sponsor, and subject to approval of final documents by the Board of Trustees, and be it further

Resolved, That it be expressly understood by all parties that there is no obligation of the Board to make the investment unless final transaction documents are approved as to form and content by the Board and approved as to form by the Board's Legal Counsel and is executed by the Board, Borrower, any Guarantors and other applicable parties, and subject to all terms of any such fully executed documents being met by the parties, including specifically all costs of the Board, including legal fees and expenses being paid from an escrow account funded by Borrower or entities other than the Board, and be it further

Resolved, That the Board notes the likelihood of suggested additional changes to the proposal will be made by the Board and any applicable due diligence monitor and/or business advisor and Special Legal Counsel, and be it further

Resolved, That any commitment or other preliminary transaction documents signed by the Board include the provision that all final transaction loan documents are subject to approval as to form and content by the Board and the Board's Special Legal Counsel, and approval as to form and content by the Board's General Counsel, and be it further

Resolved, That upon the Board selecting Special Legal Counsel regarding this matter, arrangements be made for proposed Borrower to escrow funds for payment of all costs and expenses, and be it further

Resolved, That the foregoing is also conditioned upon Borrower/applicable party paying all costs and expenses of the Board, including legal fees in document preparation even if this proposed investment is not completed or finalized due to the Borrower/applicable

PENN CAPITAL (DEFENSIVE INVESTMENT MANAGER)

party deciding to withdraw the proposal, refusing to execute final documents approved by the Board of Trustees, or for any other reason deciding not to proceed with the transaction, and be it further

Resolved, That a copy of this resolution be forwarded to proposed Borrower/Project Sponsor and Special Legal Counsel to be selected by the Board, and be it further

Resolved, That the foregoing is also subject to receipt, by the Board, of written acknowledgment from proposed Borrower/applicable party that proposed Borrower/applicable party has received a copy of this resolution and acknowledges and agrees to the conditions and requirements therein:

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

NAYS - TRUSTEES BEASLEY, CHRISTIAN AND TALABI - 3

SENECA CAPITAL (DEFENSIVE INVESTMENT MANAGER)

BY MS. TALABI - SUPPORTED BY MR. STEWART

Whereas, The Board has had the foregoing investment proposal under consideration, the basic and general proposed conditions of which are set forth in previously submitted written materials presented to the Board and discussed this date and at previous meetings, and to which certain modifications and additional requirements may have been added by the Board or Advisors to the Board, per discussion between or with the Board members, and

Whereas, The Board has indicated its willingness to further consider making this proposed investment subject to certain additional terms and modifications of said proposal, which have already been identified by the Board of Trustees and certain additional terms and modifications which will be required after Special Legal Counsel begins to prepare loan investment documents, and

SENECA CAPITAL (DEFENSIVE INVESTMENT MANAGER)

Whereas, The Board's contingent approval is also conditioned upon the understanding that the proposed transaction does not contemplate unrelated Business Taxable Income (UBTI) to the Retirement System as Lender, and

Whereas, The Board will be selecting Special Legal Counsel regarding this proposed investment who is likely to be submitting proposed modifications regarding the proposed transaction to protect the interests of the Retirement System, THEREFORE BE IT

Resolved, That subject to the provisions as stated in this resolution, the Board hereby conditionally approves the proposed investment, and indicates its intention to complete the transaction provided all requirements of the Board are met by Borrower and project sponsor, and subject to approval of final documents by the Board of Trustees, and be it further

Resolved, That it be expressly understood by all parties that there is no obligation of the Board to make the investment unless final transaction documents are approved as to form and content by the Board and approved as to form by the Board's Legal Counsel and is executed by the Board, Borrower, any Guarantors and other applicable parties, and subject to all terms of any such fully executed documents being met by the parties, including specifically all costs of the Board, including legal fees and expenses being paid from an escrow account funded by Borrower or entities other than the Board, and be it further

Resolved, That the Board notes the likelihood of suggested additional changes to the proposal will be made by the Board and any applicable due diligence monitor and/or business advisor and Special Legal Counsel, and be it further

Resolved, That any commitment or other preliminary transaction documents signed by the Board include the provision that all final transaction loan documents are subject to approval as to form and content by the Board and the Board's Special Legal Counsel, and

SENECA CAPITAL (DEFENSIVE INVESTMENT MANAGER)

approval as to form and content by the Board's General Counsel, and be it further

Resolved, That upon the Board selecting Special Legal Counsel regarding this matter, arrangements be made for proposed Borrower to escrow funds for payment of all costs and expenses, and be it further

Resolved, That the foregoing is also conditioned upon Borrower/applicable party paying all costs and expenses of the Board, including legal fees in document preparation even if this proposed investment is not completed or finalized due to the Borrower/applicable party deciding to withdraw the proposal, refusing to execute final documents approved by the Board of Trustees, or for any other reason deciding not to proceed with the transaction, and be it further

Resolved, That a copy of this resolution be forwarded to proposed Borrower/Project Sponsor and Special Legal Counsel to be selected by the Board, and be it further

Resolved, That the foregoing is also subject to receipt, by the Board, of written acknowledgment from proposed Borrower/applicable party that proposed Borrower/applicable party has received a copy of this resolution and acknowledges and agrees to the conditions and requirements therein:

**YEAS - TRUSTEES BANDEMER, BEASLEY, CHRISTIAN, STEWART,
TALABI AND CHAIRPERSON ISOM - 6**

NAYS - TRUSTEES BEST AND ORZECH - 2

ABSTAIN - TRUSTEE ENGLISH - 1

PUBLIC FORUM

AT 4:10 P.M., CHAIRPERSON ISOM DECLARED THE MEETING IN OPEN FORUM FOR GENERAL DISCUSSION BY THE PUBLIC ATTENDING THE MEETING.

ADJOURNMENT

**THERE BEING NO FURTHER BUSINESS BEFORE THE BOARD,
CHAIRPERSON ISOM ADJOURNED THE MEETING AT 4:45 P.M. UNTIL
THURSDAY, MARCH 2, 2006 AT 9:00 A.M., IN ROOM 910 OF THE
COLEMAN A. YOUNG MUNICIPAL CENTER, DETROIT, MICHIGAN
48226.**

RESPECTFULLY SUBMITTED,

ASSISTANT EXECUTIVE SECRETARY