

MEETING NUMBER 2605

JOURNAL OF PROCEEDINGS OF THE BOARD OF TRUSTEES OF THE  
POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT



PROCEEDINGS HELD THURSDAY, DECEMBER 7, 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/Treasurer
Gregory Best	Elected Trustee/Vice Chairperson
Seth Doyle	Ex/Officio Alternate Trustee
Frank English	Elected Trustee/Chairperson
DeDan Milton	Ex/Officio Alternate Trustee
James Moore	Elected Trustee
George Orzech	Elected Trustee
Paul Stewart	Elected Trustee
Alberta Tinsley-Talabi	Ex/Officio Trustee/City Council Representative
Walter Stampor	Executive Secretary
Cynthia Thomas	Assistant Executive Secretary
Janet S. Lenear	Recording Secretary
Ronald Zajac	Legal Counsel
Joe Turner	Special Legal Counsel
Richard Huddleston	Investment Analyst

EXCUSED

Gary Christian	Ex/Officio Alternate Trustee
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ABSENT

None

CHAIRPERSON

Frank English

ROLL CALL WAS TAKEN AT 9:07 A.M. BY THE BOARD'S RECORDING SECRETARY AND THE MEETING WAS CALLED TO ORDER.

CITIGROUP CAPITAL PARTNERS

By Mr. Stewart – Supported by Mr. Bandemer

Whereas, The Board has been presented with a December 6, 2006 communication from Citigroup wherein Citigroup requests that the Board fund the first draw for Citigroup Capital Partners II in the amount of **\$3,224,725.24**, Therefore be it

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

Yeas – Trustees Bandemer, Best, Doyle, Stewart and Chairman English – 5

Nays – None

ENERGY INVESTORS GROUP

By Mr. Stewart – Supported by Mr. Bandemer

Whereas, The Board has been presented with a December 4, 2006 communication from Energy Investors Group wherein Energy Investors Group requests that the Board fund its portion of the Capital Call due for Energy Investors Group's USPF II

ENERGY INVESTORS GROUP

Institutional Fund, L.P. in the amount of **\$1,028,665.00**, Therefore  
Be It

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

Yeas – Trustees Bandemer, Best, Doyle, Stewart and Chairman  
English – 5

Nays – None

RETIREMENTS

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

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

Yeas – Trustees Bandemer, Best, Doyle, Stewart and Chairman  
English – 5

Nays – None

RETIREMENTS

NAME, TITLE, DEPARTMENT	VERNON LAWSON, JR. – OFFICER – POLICE
RETIREMENT, PLAN	DUTY DISABILITY RETIREMENT CONVERSION – NEW PLAN
SERVICE CREDIT/EFFECTIVE DATE	25 00 00 – 12 28 06

RETIREMENTS

NAME, TITLE, DEPARTMENT	MARTIN HARRISON – OFFICER – POLICE
RETIREMENT, PLAN	SERVICE – NEW PLAN
SERVICE CREDIT/EFFECTIVE DATE	23 06 18 – 12 04 06

CONFIRMATIONS

THE BOARD RECEIVED THE SUM OF **\$2,677,862.68** ON DECEMBER 5, 2006 FROM **WALTON'S REAL ESTATE REIT**

THE BOARD RECEIVED THE SUM OF **\$54,253.70** ON NOVEMBER 30, 2006 FROM **INHERITANCE CAPITAL** – FIRST DISTRIBUTION

THE BOARD RECEIVED THE SUM OF **\$10,802.45** ON NOVEMBER 30, 2006 FROM **BANYAN REALTY ADVISORS, LLC**

THE BOARD RECEIVED THE SUM OF **\$16,250.00** ON NOVEMBER 30, 2006 FROM **ONE KENNEDY SQUARE** – DECEMBER, 2006 INTEREST

THE BOARD RECEIVED THE SUM OF **\$852,272.00** ON DECEMBER 1, 2006 FROM **GSC PARTNERS** – NOVEMBER, 2006 DISTRIBUTION

CONFIRMATIONS

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

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

CONFIRMATIONS

Yeas – Trustees Bandemer, Best, Doyle, Stewart and Chairman English – 5

Nays – None

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY MR. BANDEMER – SUPPORTED BY MR. DOYLE

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 **#3220**, IN THE AMOUNT OF **\$235,308.30**, INCLUDING INTEREST, BE REFUNDED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

Yeas – Trustees Bandemer, Best, Doyle, Stewart and Chairman English – 5

Nays – None

MINUTES OF NOVEMBER 2, 2006 AND NOVEMBER 9, 2006

BY MR. BEST – SUPPORTED BY MR. BANDEMER

RESOLVED, THAT THE MINUTES OF THE MEETING HELD THURSDAY, **NOVEMBER 2, 2006** BE APPROVED AS AMENDED, RECORDED AND SUBMITTED BY THE BOARD'S RECORDING SECRETARY, AND BE IT FURTHER

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

MINUTES OF NOVEMBER 2, 2006 AND NOVEMBER 9, 2006

Yeas – Trustees Bandemer, Best, Doyle, Stewart and Chairman English – 5

Nays – None

BILL PAYMENT REQUESTS

BY MR. BANDEMER – SUPPORTED BY MR. BESTS

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

ADP – NOVEMBER 24, 2006 - **\$81.78** – POLICE AND FIRE PORTION OF **\$163.56** – CONTRACT/MISCELLANEOUS SERVICES

ADP – DECEMBER 1, 2006 - **\$115.54** – POLICE AND FIRE PORTION OF **\$231.07** – CONTRACT/MISCELLANEOUS SERVICES

CRAIN'S DETROIT BUSINESS – DECEMBER 6, 2006 - **\$98.00** – SUBSCRIPTION RENEWAL FEE (TWO (2) YEARS)

GABRIEL, ROEDER, SMITH & COMPANY – DECEMBER 1, 2006 - **\$4,500.00** – DECEMBER, 2006 SERVICES

BILL PAYMENT REQUESTS

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

IKON OFFICE SOLUTIONS – NOVEMBER 24, 2006 - **\$582.35** –  
POLICE AND FIRE PORTION OF **\$1,164.69** –  
CONTRACT/MISCELLANEOUS SERVICES

MELISSA DATA CORPORATION – DECEMBER 1, 2006 - **\$256.50** –  
POLICE AND FIRE PORTION OF **\$513.00** – WEB SERVICE RENEWAL  
(ONE (1) YEAR)

NORTH POINT ADVISORS – DECEMBER 4, 2006 - **\$20,000.00** – UBS  
O'CONNOR HEDGE FUNDS DUE DILIGENCE

Yeas – Trustees Bandemer, Best, Doyle, Stewart and Chairman  
English – 5

Nays – None

► TRUSTEE ORZECH ENTERED THE MEETING.

TROY ALEXANDER

CLOSED SESSION

By Mr. Stewart – Supported by Mr. Doyle

Resolved, That the Board enter into Closed Session for the  
purpose of discussing medical matters relating to the Duty  
Disability Retirement Application of Troy Alexander:

A Roll Call Vote was taken as follows:

CLOSED SESSION

Yeas – Trustees Bandemer, Best, Doyle, Orzech, Stewart and  
Chairman English – 6

Nays – None

The Board entered into Closed Session at **9:17 A.M.**

▶ TRUSTEE MILTON ENTERED THE MEETING DURING “CLOSED  
SESSION.”

OPEN SESSION

By Mr. Doyle – Supported by Mr. Stewart

Resolved, That the Board return to Open Session:

A Roll Call Vote was taken as follows:

Yeas – Trustees Bandemer, Best, Doyle, Milton, Orzech,  
Stewart and Chairman English – 7

Nays – None

The Board returned to Open Session at **9:25 A.M.**

▶ SPECIAL COUNSEL JOE TURNER ENTERED THE MEETING.

MERRILL LYNCH – COMMISSION CREDITING TO DETROIT OFFICE

BY MR. BANDEMER – SUPPORTED BY MR. MILTON

WHEREAS, THE BOARD IS IN RECEIPT OF A DECEMBER 6, 2006  
COMMUNICATION FROM MERRILL LYNCH WHEREIN MERRILL

MERRILL LYNCH – COMMISSION CREDITING TO DETROIT OFFICE

LYNCH INDICATES THAT TT INTERNATIONAL HAS FAILED TO TRANSFER COMMISSIONS TO MERRILL LYNCH'S DETROIT OFFICE (AS DIRECTED BY THE BOARD), AND

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

RESOLVED, THAT LEGAL COUNSEL PREPARE AND FORWARD A LETTER TO TT INTERNATIONAL INFORMING TT INTERNATIONAL THAT ALL COMMISSIONS GENERATED BY TT INTERNATIONAL ON BEHALF OF THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT THROUGH MERRILL LYNCH BE CREDITED TO MERRILL LYNCH'S DETROIT OFFICE:

Yeas – Trustees Bandemer, Best, Doyle, Milton, Orzech, Stewart and Chairman English – 7

Nays – None

DRRB OF LARRY NEVERS

BY MR. ORZECH – SUPPORTED BY MR. BEST

WHEREAS, THE BOARD IS IN RECEIPT OF DRRB ARBITRATOR MARK GLAZER'S NOVEMBER 17, 2006 OPINION AND AWARD REGARDING LARRY NEVERS' APPLICATION FOR DUTY DISABILITY RETIREMENT WHEREIN ARBITRATOR GLAZER OPINES THAT MR. NEVERS' DISABILITY IS NOT DUTY CONNECTED, THEREFORE BE IT

RESOLVED, THAT THE BOARD UPHOLDS ITS **JANUARY 17, 2005** DENIAL OF MR. NEVERS' APPLICATION FOR DUTY DISABILITY RETIREMENT, AND BE IT FURTHER

DRRB OF LARRY NEVERS

RESOLVED, THAT MR. NEVERS BE PROVIDED A COPY OF THIS RESOLUTION:

▶ TRUSTEE BEASLEY ENTERED THE MEETING.

Yeas – Trustees Beasley, Best, Doyle, Milton, Orzech,  
Stewart and Chairman English – 7

Nays – None

ABSTAIN – TRUSTEE BANDEMER – 1

▶ TRUSTEE MOORE ENTERED THE MEETING.

CONFERENCE

By Mr. Best – Supported by Mr. Doyle

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:

PREA 2007 SPRING CONFERENCE  
BOSTON, MASSACHUSETTS  
MARCH 27, 2007 – MARCH 30, 2007

CONFERENCE

Yeas – Trustees Bandemer, Beasley, Best, Doyle, Milton,  
Moore, Orzech, Stewart and Chairman English – 9

Nays – None

► COUNSEL ZAJAC ENTERED THE MEETING.

WELLS CAPITAL MANAGEMENT

WILLIAM NORRIS, FRANK ESPOSITO AND JAMES KLAUS  
APPEARED BEFORE THE BOARD, DISCUSSED THEIR LARGE-CAP  
GROWTH EQUITY ACCOUNT AND THEN EXCUSED THEMSELVES.

LEGAL COUNSEL'S REPORTS

LEGAL COUNSEL RONALD ZAJAC DISCUSSED VARIOUS MATTERS  
WITH THE BOARD, INCLUDING ODYSSEY SOFTWARE, MARVELL  
TECHNOLOGY AND THE PENSION PROTECTION ACT OF 2003.

ODYSSEY SOFTWARE CORPORATION, ET AL, VERSUS THE POLICE  
AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT, ET AL,  
WAYNE COUNTY CIRCUIT COURT CASE #06633116-CK

BY MR. MOORE – SUPPORTED BY MR. MILTON

WHEREAS, A LAWSUIT HAS BEEN FILED AGAINST THE POLICE AND  
FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT, ET AL, AND

WHEREAS, SPECIAL COUNSEL LAWRENCE WALKER HAS BEEN  
INVOLVED REGARDING THE DISPUTE BETWEEN THE PLAINTIFFS AS  
REQUESTED BY THE GENERAL RETIREMENT SYSTEM OF THE CITY OF  
DETROIT, AND

ODYSSEY SOFTWARE CORPORATION, ET AL, VERSUS THE POLICE  
AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT, ET AL,  
WAYNE COUNTY CIRCUIT COURT CASE #06633116-CK

WHEREAS, THE BOARD'S POLICY IS TO ASSIGN LITIGATION MATTERS TO SPECIAL COUNSEL WHO WILL COORDINATE WITH THE BOARD'S GENERAL COUNSEL REGARDING LITIGATION MATTERS, AND

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

RESOLVED, THAT SPECIAL COUNSEL LAWRENCE WALKER IS ASSIGNED THE FOREGOING CASE FOR APPROPRIATE ACTION TO DEFEND THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT, AND BE IT FURTHER

RESOLVED, THAT SPECIAL COUNSEL REPORT TO AND COORDINATE WITH THE BOARD'S GENERAL COUNSEL REGARDING THIS CASE, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO SPECIAL COUNSEL LAWRENCE WALKER:

Yeas – Trustees Bandemer, Beasley, Best, Doyle, Milton, Moore, Orzech, Stewart and Chairman English – 9

Nays – None

MARVELL TECHNOLOGY GROUP, LTD. SECURITIES LITIGATION

LEGAL COUNSEL PROVIDED EACH MEMBER OF THE BOARD WITH A COPY OF AN OCTOBER 5, 2006 SECURITIES CLASS ACTION COMPLAINT REGARDING MARVELL TECHNOLOGY WHICH SPECIAL COUNSEL KOHN, SWIFT AND GRAF, P.C. PROVIDED HIM.

RDD INVESTMENT CORPORATION

CLOSED SESSION

By Mr. Best – Supported by Mr. Stewart

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 Bandemer, Beasley, Best, Doyle, Milton, Moore, Orzech, Stewart and Chairman English – 9

Nays – None

The Board entered into Closed Session at **10:30 A.M.**

OPEN SESSION

By Mr. Moore – Supported by Mr. Stewart

Resolved, That the Board return to Open Session:

A Roll Call Vote was taken as follows:

Yeas – Trustees Bandemer, Beasley, Best, Doyle, Milton, Moore, Orzech, Stewart and Chairman English – 9

Nays – None

The Board returned to Open Session at **10:55 A.M.**

CONWAY, MACKENZIE AND DUNLEAVY

VAN CONWAY, JAMES MAHONEY AND RAYMOND GUNN APPEARED BEFORE THE BOARD AND DISCUSSED TURN AROUND CONSULTING AND CORPORATE RESTRUCTURING.

THE BOARD THEN EXCUSED MESSRS. CONWAY, MAHONEY AND GUNN.

SMITH WHILEY

GWENDOLYN SMITH-ILOANI, SHARON MORROW, COLLETTE M. NAKHOUL AND VANEITA FIELDS APPEARED BEFORE THE BOARD, DISCUSSED LENATURE AND SMITH WHILEY'S PELHAM FUNDS I AND II AND THEN EXCUSED THEMSELVES.

WACHOVIA BANK

CHAUNCEY MAYFIELD (OF MAYFIELD GENTRY REALTY ADVISORS) AND HUGH ALLEN AND ANDY COLLIN (OF WACHOVIA BANK) BRIEFLY APPEARED BEFORE THE BOARD AND THANKED THE BOARD FOR THE BOARD'S SUPPORT.

MILESTONE REALTY CORPORATION

MARTY WEST AND TWO ASSOCIATES APPEARED BEFORE THE BOARD TO DISCUSS LAND ACQUISITION.

CLOSED SESSION

By Mr. Moore – Supported by Mr. Bandemer

Resolved, That the Board enter into Closed Session for the purpose of discussing matters involving land acquisition:

A Roll Call Vote was taken as follows:

CLOSED SESSION

Yeas – Trustees Bandemer, Beasley, Best, Doyle, Milton,  
Moore, Orzech, Stewart and Chairman English – 9

Nays – None

The Board entered into Closed Session at **1:02 P.M.**

▶ TRUSTEE TALABI ENTERED THE MEETING DURING “CLOSED SESSION.”

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, Beasley, Best, Doyle, Milton,  
Moore, Orzech, Stewart, Talabi and Chairman  
English – 10

Nays – None

The Board returned to Open Session at **1:28 P.M.**

MILESTONE/POTENTIAL OFFER TO PURCHASE

BY MR. MOORE – SUPPORTED BY MR. BEST

WHEREAS, THE BOARD HAS BEEN PRESENTED WITH A REPORT REGARDING THE POTENTIAL OFFER TO PURCHASE PROPERTY FOR DEVELOPMENT OF THE OFFICES OF THE RETIREMENT SYSTEMS, AND

MILESTONE/POTENTIAL OFFER TO PURCHASE

WHEREAS, MILESTONE HAS INDICATED TO THE BOARD THE SUGGESTION OF EFFECTUATING A \$75,000.00 DEPOSIT, HALF OF WHICH WOULD BE APPLICABLE TO THE POLICE AND FIRE RETIREMENT SYSTEM REGARDING AN OFFER TO PURCHASE WITH A 90-DAY PERIOD FOR DUE DILIGENCE AND THE DEPOSIT BEING REFUNDABLE DURING THE 90-DAY PERIOD, AND

WHEREAS, THE BOARD, ALONG WITH OTHER RELATED ISSUES, HAS DISCUSSED THIS MATTER, THEREFORE BE IT

RESOLVED, THAT THE DEPOSIT BE MADE CONSISTENT WITH THE FOREGOING AND THE BOARD'S DISCUSSION OF THIS DATE, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO MILESTONE:

Yeas – Trustees Best, Moore, Orzech and Chairman English – 4

Nays – Trustees Bandemer, Beasley, Doyle, Milton, Stewart and Talabi – 6

DUTY DISABILITY RETIREMENT APPLICATION OF GERALDINE SMITH

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

WHEREAS, THE BOARD, AFTER A HISTORY OF DENYING THE REQUESTS OF GERALDINE SMITH (E.G., SEPTEMBER 21, 2006, OCTOBER 13, 2005, JUNE 29, 2000), GRANTED A RECENT REQUEST TO MS. SMITH TO APPEAR BEFORE THE BOARD REGARDING REQUEST FOR THE BOARD TO RE-CONSIDER ITS PRIOR DENIALS, AND

WHEREAS, ON NOVEMBER 13, 2006, MS. SMITH MADE A PRESENTATION TO THE BOARD RESULTING IN A RESOLUTION ON NOVEMBER 13, 2006, INTER ALIA, ALLOWING MS. SMITH TO SUBMIT AN APPLICATION FOR DUTY DISABILITY BASED UPON HER ANKLE/LEG INJURY SHE ASSERTS OCCURRED IN APPROXIMATELY 1978, AND

WHEREAS, AN APPLICATION FOR DUTY DISABILITY WAS PROVIDED TO MS. SMITH, AND

WHEREAS, MS. SMITH SUBMITTED AN APPLICATION TO THE RETIREMENT SYSTEM FOR DUTY DISABILITY RETIREMENT STATING THE NATURE AND CAUSES OF DISABILITY, **NONE** OF WHICH APPLY TO AN APPROXIMATELY 1978 **ANKLE/LEG** INJURY, AND

WHEREAS, THE NOVEMBER 13, 2006 BOARD RESOLUTION PROVIDES THAT "UNLESS OTHER ACTION IS TAKEN BY THE BOARD, MS. SMITH'S APPLICATION BE PROCESSED CONSISTENT WITH THE USUAL PROCEDURES," AND

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

RESOLVED, THAT MS. SMITH'S APPLICATION FOR DUTY DISABILITY RETIREMENT **NOT** BE PROCESSED BECAUSE OF THE BOARD'S RESOLUTION OF NOVEMBER 13, 2006, AND A COPY OF THIS RESOLUTION BE FORWARDED TO HER:

Yeas – Trustees Bandemer, Beasley, Best, Doyle, Milton, Moore,  
Orzech, Stewart, Talabi and Chairman English - 10  
English – 10

Nays – None

NORTH POINT ADVISORS

ADRIAN ANDERSON APPEARED BEFORE THE BOARD AND DISCUSSED, AMONG OTHER MATTERS, CITIGROUP (FINAL DUE DILIGENCE), THE DEUTSCHE BANK/CROCI US+ INDEX FUND AND FAM-GLOBAL.

ADVANCED MARKETING SERVICES, INC.

By Mr. Bandemer – Supported by Mr. Stewart

Whereas, The Board has been requested to execute a “PROOF OF CLAIM” form dated December 7, 2006 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, Doyle, Milton, Moore, Orzech, Stewart, Talabi and Chairman English – 10

Nays – None

GLOBAL RESEARCH ANALYST SETTLEMENT OF CLAIM FORM

By Mr. Bandemer – Supported by Mr. Stewart

Whereas, The Board has been requested to execute a "SETTLEMENT OF CLAIM" form dated December 7, 2006 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, Doyle, Milton,  
Moore, Orzech, Stewart, Talabi and Chairman  
English – 10

Nays – None

LAPORTE                      VERSUS                      LAPORTE  
WAYNE COUNTY CASE NUMBER 05-521629-DO

BY MR. DOYLE – SUPPORTED BY MR. BANDEMER

WHEREAS, THE BOARD IS IN RECEIPT OF A NOVEMBER 22, 2003 DOMESTIC RELATIONS ORDER WHICH AMENDS/SUPPLEMENTS A JUDGMENT OF DIVORCE WHEREIN CAROL LAPORTE IS AWARDED CERTAIN RIGHTS TO THE DEFINED BENEFIT PLAN BENEFITS ONLY OF CLAIR LAPORTE, AND

WHEREAS, THE BOARD PREVIOUSLY ADOPTED A RESOLUTION ON AUGUST 10, 2006, AND

WHEREAS, THE BOARD HAS BEEN INFORMED THAT PARTICIPANT RETIRED EFFECTIVE MAY 29, 1997, AND

WHEREAS, PARTICIPANT'S DATE OF BIRTH IS NOVEMBER 5, 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

LAPORTE                      VERSUS                      LAPORTE  
WAYNE COUNTY CASE NUMBER 05-521629-DO

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

RESOLVED, THAT THIS FILE BE FORWARDED TO THE BOARD'S ACTUARY FOR CALCULATION OF THE BENEFITS TO BE PAID TO THE FORMER SPOUSE EFFECTIVE DECEMBER 1, 2006, AND BE IT FURTHER

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 ELIZABETH STOLER, ATTORNEY LEONARD MILLER AND CAROL LAPORTE AND CLAIR LAPORTE:

Yeas – Trustees Bandemer, Beasley, Best, Doyle, Milton, Moore, Orzech, Stewart, Talabi and Chairman English – 10

Nays – None





RDD INVESTMENT CORPORATION

CLOSED SESSION

By Mr. Doyle – Supported by Mr. Best

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 Bandemer, Beasley, Best, Doyle, Milton, Moore, Orzech, Stewart, Talabi and Chairman English – 10

Nays – None

The Board entered into Closed Session at **2:45 P.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, Doyle, Milton, Moore, Orzech, Stewart, Talabi and Chairman English – 10

Nays – None

The Board returned to Open Session at **3:15 P.M.**

FORMER ENVIRONMENTAL DISPOSAL SERVICES (EDS) FACILITY  
HELICON REVISED PROPOSAL

BY MR. BEASLEY – SUPPORTED BY MR. MILTON

**WHEREAS**, on November 2, 2006, the Board received a written proposal from Dimitrios Papas, of Helicon Holdings dated November 1, 2006, containing proposed terms, including an obligation to commit capital not in excess of Two Million Dollars (\$2,000,000) (the Helicon Proposal), and

**WHEREAS**, on November 2, 2006, in anticipation of the transfer of the Facility to the Board's designee, the Board directed the Monitor to inform individuals known to the Monitor as possible interested parties to submit to the PFRS written proposals for the investment in or purchase of the Facility, and

**WHEREAS**, as of November 16, 2006, other than the Helicon Proposal, the PFRS had not received any written proposals regarding an investment in or a purchase of the Facility, and after the Board considered the matter, the Board authorized its Transition Committee to commence negotiations discussions with the Helicon Team, and

**WHEREAS**, the Transition Committee and the Helicon Group have had several productive negotiation meetings, and

**WHEREAS**, on December 7, 2006, the Board received a revised written proposal from Dimitrios Papas, of Helicon Holdings dated December 7, 2006 containing revised proposed terms, including *inter alia* that (i) a company (Newco) will be formed by Helicon to be licensed and to operate the facility, (ii) Newco will infuse at least Four Million Dollars (\$4,000,000) of new monies into the Project, and (iii) the Board will receive payments of interest and proceeds consistent with the revised proposal dated December 7, 2006, and

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

**RESOLVED**, that the Board hereby directs the Transition Committee to prepare for the Board's review and approval loan documentation consistent with the Helicon revised proposal generally consistent with the December 7, 2006 revised proposal and discussion of this date; and be it further

FORMER ENVIRONMENTAL DISPOSAL SERVICES (EDS) FACILITY  
HELICON REVISED PROPOSAL

**RESOLVED**, that the Board indicates its intent to enter into the aforementioned agreement subject to terms described this date and subject to approval of documents by the Board's special counsel and the Board's general counsel; and be it further

**RESOLVED**, that a copy of this Resolution be forwarded to Helicon and all special counsel:

Yeas – Trustees Bandemer, Beasley, Doyle, Milton, Moore,  
Moore, Stewart, Talabi and Chairman English - 8

Nays – Trustees Best and Orzech – 2

REASONING FOR TRUSTEE ORZECH'S "NAY" VOTE: I HAVE NO IDEA WHETHER THIS IS A FAIR/PRUDENT TRANSACTION FOR THIS BOARD SINCE THE BOARD CHOSE NOT TO HEAR FROM ANYONE ELSE WHEN THEY SHUT OUT OTHER PROPOSALS WHICH WERE BEING CONSIDERED.

IDLEWYLDE

BY MR. STEWART – SUPPORTED BY MR. BEST

WHEREAS, ASSOCIATED ESTATES REALTY ADVISOR, THE BOARD'S REAL ESTATE ADVISOR, REQUESTS THAT THE BOARD ACCEPT AND APPROVE THE RECOMMENDATION WHICH IS REFERENCED BELOW RELATIVE TO THE ABOVE-CAPTIONED MATTER, AND

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

RESOLVED, THAT THE BOARD ACCEPT AND APPROVE SAID RECOMMENDATION:

IDLEWYLDE

RECOMMENDATION

APPROVE IDLEWYLDE'S 2007 BUDGET

Yeas – Trustees Bandemer, Beasley, Best, Doyle, Milton,  
Moore, Orzech, Stewart, Talabi and Chairman  
English – 10

Nays – None

WAYNE COMPANY/DEUTSCHE BANK/CROCI US+ INDEX NOTE  
\$10,000,000.00 PROPOSED INVESTMENT

BY MR. DOYLE – SUPPORTED BY MR. BEASLEY

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

WAYNE COMPANY/DEUTSCHE BANK/CROCI US+ INDEX NOTE  
\$10,000,000.00 PROPOSED INVESTMENT

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 the proposed investment be funded by withdrawing a corresponding amount from the Russell 1000 Value account managed by Rhumblin, 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

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\$10,000,000.00 PROPOSED INVESTMENT

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 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

WAYNE COMPANY/DEUTSCHE BANK/CROCI US+ INDEX NOTE  
\$10,000,000.00 PROPOSED INVESTMENT

party has received a copy of this resolution and acknowledges and agrees to the conditions and requirements therein:

Yeas – Trustees Bandemer, Beasley, Best, Doyle, Milton, Moore, Orzech, Stewart, Talabi and Chairman English – 7

Nays – Trustees Best, Orzech and Chairman English – 3

REASONING FOR TRUSTEE ORZECZ'S "NAY" VOTE: IT'S A RETAIL FUND WITH A \$100,000.00 YEARLY SALES SALARY TO A RETAIL SALESMAN, AND IT'S A RETAIL FUND SOLD TO AN INSTITUTION LIKE US (THE POLICE AND FIRE RETIREMENT SYSTEM).

GVC (VENTURE CAPITAL)  
\$10,000,000.00 PROPOSED INVESTMENT

BY MR. MILTON – SUPPORTED BY MR. BEASLEY

RESOLVED, THAT THE BOARD'S MOTION REGARDING GVC, WHICH WAS TABLED NOVEMBER 16, 2006, BE REMOVED FROM THE TABLE:

A ROLL CALL VOTE WAS TAKEN AS FOLLOWS:

Yeas – Trustees Bandemer, Beasley, Best, Doyle, Milton, Moore, Orzech, Stewart, Talabi and Chairman English – 10

Nays – None

FOLLOWING IS THE BOARD'S NOVEMBER 16, 2006 MOTION REGARDING GVC:

GVC (VENTURE CAPITAL)  
\$10,000,000.00 PROPOSED INVESTMENT

BY MR. MILTON – 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

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

GVC (VENTURE CAPITAL)  
\$10,000,000.00 PROPOSED INVESTMENT

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

GVC (VENTURE CAPITAL)  
\$10,000,000.00 PROPOSED INVESTMENT

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, Best, Doyle, Milton,  
Moore, Orzech, Stewart, Talabi and Chairman  
English – 10

Nays – None

DEEP WELL DISPOSAL/RDD INVESTMENT CORPORATION

THE BOARD WAS PROVIDED WITH A DRAFT OF A PRESS RELEASE ON BEHALF OF THE POLICE AND FIRE RETIREMENT SYSTEM BY THE TRANSITION COMMITTEE WHICH INDICATED THE ISSUANCE OF THE PRESS RELEASE UNLESS DIRECTED OTHERWISE BY THE BOARD. NO CONTRARY DIRECTIONS WERE GIVEN BY THE BOARD. THE BOARD WAS ALSO PROVIDED WITH A COPY OF A PRESS RELEASE TO BE ISSUED BY RDD INVESTMENT CORPORATION.

PUBLIC FORUM

AT 3:22 P.M., CHAIRMAN 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, CHAIRMAN ENGLISH ADJOURNED THE MEETING AT 3:28 P.M. UNTIL THURSDAY, **DECEMBER 14, 2006**, AT 9:00 A.M., IN ROOM 910 OF THE COLEMAN A. YOUNG MUNICIPAL CENTER, DETROIT, MICHIGAN 48226.

RESPECTFULLY SUBMITTED,

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ASSISTANT EXECUTIVE SECRETARY

