

MEETING NUMBER 2621

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



PROCEEDINGS HELD THURSDAY, MARCH 29, 2007
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
Shereece Fleming-Freeman	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

DeDan Milton	Ex/Officio Alternate Trustee
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ABSENT

None

► POLICE CHIEF ALTERNATE TRUSTEE SHEREECE FLEMING-FREEMAN ENTERED THE MEETING.

CHAIRPERSON

Frank English

ROLL CALL WAS TAKEN AT **9:05 A.M.** BY THE BOARD'S RECORDING SECRETARY AND THE MEETING WAS CALLED TO ORDER.

SYNDICATED COMMUNICATIONS VENTURE PARTNERS

By Mr. Moore – Supported by Mr. Bandemer

Whereas, The Board has been presented with a March 23, 2007 communication from Syndicated Communications Venture Partners wherein Syndicated Communications Venture Partners requests that the Board fund its portion of the capital call due for Syndicated Communications Venture Partners V, L.P. in the amount of **\$84,375.00**, 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, Moore, Orzech, Stewart and Chairman English – 6

Nays – None

Retirements

By Mr. Bandemer – Supported by Mr. Stewart

Retirements

Resolved, That the retirement applications which are outlined below be approved:

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

Nays – None

RETIREMENTS

NAME, TITLE, DEPARTMENT	JAMES ROSS – FIRE CAPTAIN – FIRE DEPARTMENT
RETIREMENT, PLAN	SERVICE – NEW
SERVICE CREDIT/EFFECTIVE DATE	32 06 11 – 03 23 07

NAME, TITLE, DEPARTMENT	MICHAEL TERRELL – SUP RADIO MNT-POL LT – POLICE DEPARTMENT
RETIREMENT, PLAN	SERVICE – NEW
SERVICE CREDIT/EFFECTIVE DATE	36 02 10 – 03 12 07

NAME, TITLE, DEPARTMENT	TERRY BARKER – FIRE INVESTIGATOR – FIRE DEPARTMENT
RETIREMENT, PLAN	SERVICE – NEW
SERVICE CREDIT/EFFECTIVE DATE	36 02 10 – 04 29 07

CONFIRMATIONS

THE BOARD RECEIVED THE SUM OF **\$155,013.13** ON MARCH 21, 2007 FROM INHERITANCE CAPITAL – THIRD (3RD) DISTRIBUTION

THE BOARD RECEIVED THE SUM OF **\$118,359.13** ON MARCH 23, 2007 FROM FIDELITY (REAL ESTATE GROWTH FUND)

CONFIRMATIONS

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

CONFIRMATIONS

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

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

Nays – None

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

ADP – MARCH 16, 2007 - \$170.20 – POLICE AND FIRE PORTION
OF \$340.40 – OFFICE SUPPLIES

BLACKROCK – MARCH 13, 2007 - \$18,969.00 – 2006 FOURTH
QUARTER FEES

CLARK HILL – MARCH 21, 2007 - \$411.00 – DROP PROGRAM
LEGAL FEES

CLARK HILL – MARCH 21, 2007 - \$5,886.64 – MISCELLANEOUS
LEGAL FEES

BILL PAYMENT REQUESTS (CONTINUED)

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

JASON DELUCE – MARCH 26, 2007 - \$4,800.00 – MARCH, 2007
COMPUTER SERVICES

DOUGLAS FREDERICK – MARCH 26, 2007 - \$5,644.80 – MARCH,
2007 COMPUTER SERVICES

BRIDGETT HARDY – MARCH 26, 2007 - \$3,898.78 – MARCH, 2007
COMPUTER SERVICES

HAROLD LAMKIN – MARCH 26, 2007 - \$4,792.50 – MARCH, 2007
COMPUTER SERVICES

FRANK LEARNED – MARCH 26, 2007 - \$4,142.39 – MARCH, 2007
COMPUTER SERVICES

ANITA LINET – MARCH 26, 2007 - \$3,336.35 – MARCH, 2007
COMPUTER SERVICES

DENNIS LINET – MARCH 26, 2007 - \$7,616.34 – MARCH, 2007
COMPUTER SERVICES

MIKE POWNING – MARCH 26, 2007 - \$2,981.90 – MARCH, 2007
COMPUTER SERVICES

SANJAY PRASAD – MARCH 25, 2007 - \$5,579.15 – MARCH, 2007
COMPUTER SERVICES

RONALD REEVES – MARCH 26, 2007 - \$4,800.00 – MARCH, 2007
COMPUTER SERVICES

RAY TCHOU – MARCH 26, 2007 - \$6,491.20 – MARCH, 2007
COMPUTER SERVICES

BILL PAYMENT REQUESTS (CONTINUED)

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

ED ZARZYCKI – MARCH 26, 2007 - \$3,130.00 – MARCH, 2007
COMPUTER SERVICES

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

Nays – None

LEGAL COUNSEL'S BILLING

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

RESOLVED, THAT LEGAL COUNSEL'S BILLING DATED MARCH 29,
2007, FOR THE MONTH OF MARCH, 2007, IN THE AMOUNT OF
\$12,574.14, BE APPROVED AND SAID AMOUNT BE PAID
PURSUANT TO WIRE-TRANSFER INSTRUCTIONS ON FILE WITH THE
POLICE AND FIRE RETIREMENT SYSTEM:

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

Nays – None

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY MR. MOORE – SUPPORTED BY MR. BANDEMER

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 #**3232**, IN THE
AMOUNT OF **\$328,735.00**, INCLUDING INTEREST, BE REFUNDED
PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

REFUNDS OF ACCUMULATED CONTRIBUTIONS

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

Nays – None

REQUEST OF KEVIN FOSTER

BY MR. BANDEMER – SUPPORTED BY MR. BEST

WHEREAS, KEVIN FOSTER, PER ONE-PAGE MARCH 27, 2007
COMMUNICATION, REQUESTS TO BE REINSTATED TO FULL DUTY,
THEREFORE BE IT

RESOLVED, THAT THE MEDICAL FILE OF MR. FOSTER BE
FORWARDED TO THE BOARD'S MEDICAL DIRECTOR AND THE
BOARD'S MEDICAL DIRECTOR BE REQUESTED TO SCHEDULE AN
EXAMINATION APPOINTMENT ON MR. FOSTER'S BEHALF:

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

Nays – None

REQUEST OF CARL MACK

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

WHEREAS, CARL MACK, PER ONE-PAGE UNDATED
COMMUNICATION, REQUESTS THAT THE BOARD GRANT HIM THE
ADDITIONAL SERVICE CREDIT NEEDED TO RECEIVE NON-DUTY
DISABILITY RETIREMENT BENEFITS, AND

REQUEST OF CARL MACK

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

RESOLVED, THAT THE REQUEST OF MR. MACK BE APPROVED:

YEAS – TRUSTEES BANDEMER AND STEWART – 2

NAYS – TRUSTEES BEST, MOORE, ORZECH AND CHAIRMAN ENGLISH – 4

▶ TRUSTEE DOYLE ENTERED THE MEETING.

COMPUTER CONSULTING CONTRACT OF ANITA LINET
ADDENDUM TO AGREEMENT DATED MARCH 14, 2001
AMENDMENT NO. 2 TO CONTRACT

BY MR. MR. MOORE – SUPPORTED BY MR. STEWART

RESOLVED, THAT THE BOARD'S CONTRACT ADDENDUM WITH ANITA LINET BE APPROVED FOR THE PERIOD DESIGNATED BELOW AT THE HOURLY RATES SO SPECIFIED IN SAID CONTRACT ADDENDUM, AND BE IT FURTHER

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

EFFECTIVE: APRIL 1, 2007

TERMINATING: MARCH 31, 2008

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

Nays – None

▶ TRUSTEE BEASLEY ENTERED THE MEETING.

▶ COUNSEL ZAJAC ENTERED THE MEETING.

THE REQUEST OF CHICAGO EQUITY PARTNERS

BY MR. MOORE – SUPPORTED BY MR. BEST

WHEREAS, THE BOARD IS IN RECEIPT OF A MARCH 21, 2007 COMMUNICATION FROM CHICAGO EQUITY PARTNERS WHEREIN CHICAGO EQUITY PARTNERS REQUESTS AN EXCEPTION TO THE POLICE AND FIRE RETIREMENT SYSTEM'S GENERAL RULE, AND

WHEREAS, THE BOARD HAS DISCUSSED THE REQUEST OF CHICAGO EQUITY PARTNERS, THEREFORE BE IT

RESOLVED, THAT THE REQUEST OF CHICAGO EQUITY PARTNERS BE APPROVED, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO CHICAGO EQUITY PARTNERS, ATTENTION: JOHN FERGUSON:

Yeas – Trustees Bandemer, Beasley, Best, Doyle, Moore, Orzech, Stewart and Chairman English – 8

Nays – None

SECURITIES LENDING PROGRAM/GERMAN EQUITY SECURITIES

By Mr. Moore – Supported by Mr. Beasley

WHEREAS, The Board is in receipt of a **March 12, 2007** letter from The Bank of New York requesting a modification to the Board's securities lending program with respect to German equity securities, and

WHEREAS, The Board has discussed this matter with staff on this date, THEREFORE BE IT

RESOLVED, That the Board approves the modification offered by The Bank of New York, and be it further

RESOLVED, That the execution of the appropriate documents be approved, and be it further

RESOLVED, That a copy of this resolution be forwarded to The Bank of New York:

Yeas – Trustees Bandemer, Beasley, Best, Doyle, Moore, Orzech, Stewart and Chairman English – 8

Nays – None

LEGAL COUNSEL'S REPORTS

LEGAL COUNSEL RONALD ZAJAC DISCUSSED VARIOUS MATTERS WITH THE BOARD, INCLUDING INHERITANCE CAPITAL/BHM-BRETIN-MEEK MORTGAGE.

▶ TRUSTEE TALABI ENTERED THE MEETING DURING COUNSEL ZAJAC'S DISCUSSION.

REQUEST FROM BLOOMBERG

BY MR. DOYLE – SUPPORTED BY MR. BEASLEY

WHEREAS, THE BOARD, PER PHONE CALLS TO GENERAL COUNSEL, HAS BEEN REQUESTED TO VOLUNTARILY PROVIDE INFORMATION REGARDING THE SYSTEM'S INVESTMENTS IN COLLATERALIZED DEBT OBLIGATIONS (CDO'S) REQUESTING CUSIP NUMBERS AND OTHER INFORMATION, AND

WHEREAS, THE BOARD CONSIDERS CERTAIN INFORMATION TO BE PROPRIETARY BASED ON PAYING INVESTMENT MANAGERS/CONSULTANTS FOR FINANCIAL ADVICE/REPORTS, AND

WHEREAS, THE BOARD NOTES THAT NO FOIA REQUESTS HAVE BEEN MADE REGARDING THIS MATTER, THEREFORE BE IT

RESOLVED, THAT THE ORAL REQUEST FROM BLOOMBERG (WHICH IS NOT CONSIDERED AN FOIA) BE **DENIED**, AND BE IT FURTHER

RESOLVED, THAT NO INFORMATION BE PROVIDED AT THIS TIME:

YEAS – TRUSTEES BANDEMER, BEST, ORZECH, STEWART AND
CHAIRMAN ENGLISH – 5

NAYS – TRUSTEES BEASLEY, DOYLE, MOORE AND TALABI - 4

INHERITANCE CAPITAL/BHM-BRETLIN-MEEK MORTGAGE

THE BOARD DISCUSSED BHM-BRETLIN-MEEK MORTGAGE AT LENGTH WITH SPECIAL COUNSEL DON WAGNER (OF COUZENS, LANSKY, ELLIS, FEALK, ROEDER & LAZAR, P.C.) VIA PHONE CONFERENCE.

MUNIVEST

DANTE DEMIRO AND SEVERAL ASSOCIATES APPEARED BEFORE THE BOARD, DISCUSSED INVESTMENT BANKING SERVICES AND THEN EXCUSED THEMSELVES.

EMPLOYEE CONTRIBUTIONS TO DEFINED CONTRIBUTION PLAN
(ANNUITY SAVINGS FUND)

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

WHEREAS, THE RETIREMENT SYSTEM PROVISIONS, PRIOR TO THE 2007 DPOA ACT 312 OPINION AND AWARD, PROVIDED FOR EMPLOYEE CONTRIBUTIONS TO CONTRIBUTE FIVE PERCENT (5%) OF COMPENSATION DURING THE FIRST 25 YEARS OF SERVICE AS A POLICE OFFICER OR FIRE FIGHTER (KNOWN AS THE “25 YEAR REQUIRED EMPLOYEES” RULE), AND

WHEREAS, THE 2007 DPOA ACT 312 OPINION AND AWARD GRANTS THE AWARD THE LAST BEST OFFER OF THE UNION WHICH PROVIDES THAT:

“EFFECTIVE ON THE DATE OF CHAIRPERSON BLOCK’S 312 AWARD, SUCH MEMBERS WILL BE ELIGIBLE TO RETIRE AFTER TWENTY (20) YEARS OF SERVICE REGARDLESS OF AGE” (KNOWN AS THE “20 AND OUT” RULE), AND

WHEREAS, A QUESTION HAS BEEN ASKED WHETHER THE “20 AND OUT” RULE INFERENTIALLY MODIFIES THE “25 YEAR REQUIRED EMPLOYEE CONTRIBUTION” RULE, AND

WHEREAS, THE BOARD’S GENERAL COUNSEL HAS OPINED, PER AN ORAL REPORT, THAT THE “20 AND OUT” RULE DOES MODIFY THE “25 YEAR REQUIRED EMPLOYEE CONTRIBUTION” RULE, RESULTING IN MODIFYING FOR AFFECTED MEMBERS (I.E., AS OF THIS DATE, ONLY DPOA MEMBERS) THE “25 YEAR REQUIRED

EMPLOYEE CONTRIBUTIONS TO DEFINED CONTRIBUTION PLAN
(ANNUITY SAVINGS FUND)

EMPLOYEE CONTRIBUTION” RULE TO A “20 YEAR REQUIRED
EMPLOYEE CONTRIBUTION” RULE, AND

WHEREAS, THE BOARD’S GENERAL COUNSEL HAS FURTHER
OPINED THAT HE IS AWARE OF NO OTHER RETIREMENT SYSTEM
PROVISIONS WHICH ARE MODIFIED BY THE “20 AND OUT” RULE
EXISTING FOR DPOA MEMBERS DUE TO THE 2007 DPOA ACT 312
OPINION AND AWARD, THEREFORE BE IT

RESOLVED, THAT THE BOARD INTERPRETS THE “20 AND OUT” RULE
FOR DPOA MEMBERS AS MODIFYING THE “25 YEAR REQUIRED
EMPLOYEE CONTRIBUTION” RULE FOR DPOA MEMBERS THEREBY
TERMINATING DPOA EMPLOYEE CONTRIBUTIONS UPON
ATTAINING TWENTY (20) YEARS OF SERVICE CREDIT PER ACTIVE
EMPLOYMENT, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE PROVIDED TO
ACTIVE PAYROLL, POLICE DEPARTMENT, THE FINANCE DIRECTOR
AND THE DPOA:

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

Nays – None

MRC MORTGAGE INVESTMENT TRUST (“MMIT”)

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

WHEREAS, THE BOARD IS IN RECEIPT OF A MARCH 27, 2007
REPORT FROM MMA REALTY CAPITAL WHICH, INTER ALIA,
REQUESTS THE BOARD TO APPOINT A REPRESENTATIVE TO THE

MRC MORTGAGE INVESTMENT TRUST (“MMIT”)

ADVISORY COMMITTEE OF THE MRC MORTGAGE INVESTMENT TRUST (“MMIT”), AND

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

RESOLVED, THAT TRUSTEE GEORGE ORZECH IS HEREBY APPOINTED REPRESENTATIVE OF THE POLICE AND FIRE RETIREMENT SYSTEM TO THE ADVISORY COMMITTEE OF THE MRC MORTGAGE INVESTMENT TRUST (“MMIT”), AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO MMA REALTY CAPITAL:

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

Nays – None

RDD INVESTMENT CORPORATION

CLOSED SESSION

By Mr. Best – Supported by Mr. Doyle

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:

RDD INVESTMENT CORPORATION

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

Nays – None

The Board entered into Closed Session at **12:08 P.M.**

OPEN SESSION

By Mr. Stewart – Supported by Mr. Moore

Resolved, That the Board return to Open Session:

A Roll Call Vote was taken as follows:

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

Nays – None

The Board returned to Open Session at **12:42 P.M.**

BANYAN REALTY ADVISORS, LLC
RE-FINANCING OF WASHINGTON PLAZA

BY MR. ORZECH – SUPPORTED BY MR. MOORE

WHEREAS, BANYAN REALTY ADVISORS, LLC HAS PRESENTED THE BOARD WITH A MARCH 14, 2007 COMMUNICATION WHEREIN BANYAN REQUESTS THAT THE BOARD ACCEPT AND APPROVE THE QUOTE OF PRUDENTIAL INSURANCE WITH RESPECT TO THE RE-FINANCING OF WASHINGTON PLAZA, AND

BANYAN REALTY ADVISORS, LLC
RE-FINANCING OF WASHINGTON PLAZA

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

RESOLVED, THAT THE BOARD HEREBY ACCEPTS AND APPROVES
THE QUOTE OF PRUDENTIAL INSURANCE WITH RESPECT TO THE RE-
FINANCING OF WASHINGTON PLAZA, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED
TO BANYAN REALTY ADVISORS, LLC:

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

Nays – None

► TRUSTEE BEASLEY TEMPORARILY EXCUSED HIMSELF.

MUNROS CAPITAL MANAGEMENT

BY MR. BEST – SUPPORTED BY MR. ORZECH

WHEREAS, The Board hired Munros as an international small-
cap equity manager, and

WHEREAS, General counsel has advised the Board that all of
the necessary agreements between Munros and the Board
have been completed, and

WHEREAS, The Board is in receipt of correspondence from
Munros requesting an exception from the Board's policy of
utilizing its brokers of record to initially fund an account, and

MUNROS CAPITAL MANAGEMENT

WHEREAS, The Board has discussed this matter with staff on this date, Therefore be it

RESOLVED, That the request of Munros is denied, and be it further

RESOLVED, Staff be directed to seek bids from the brokers of record to provide transition management services with respect to the initial funding of the Munros account, and be it further

RESOLVED, That a copy of this resolution be forwarded to Munros:

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

Nays – Trustees Bandemer, Doyle, Freeman, Moore and Stewart – 5

► TRUSTEE BEASLEY RE-JOINED THE MEETING.

AUTHORIZED SIGNATORY LIST

BY MR. MOORE – SUPPORTED BY MR. BANDEMER

Resolved, That all contracts, documents, vouchers and legal papers, in conjunction with any investment transaction or disposition of any investment made by the Board of Trustees of the Police and Fire Retirement System, pursuant to Title IX, Chapter VII, Article VIII of the City of Detroit Charter and continued in effect by Article II, Section 102 of the January 1, 1997 City of Detroit Charter, be executed by any two (2) of the following designated parties who are hereby authorized to sign on behalf of the Board of Trustees, provided, however, that at

AUTHORIZED SIGNATORY LIST

least one (1) of the two (2) authorized parties signing on behalf of the Board shall be an elected Trustee:

WALTER STAMPOR, EXECUTIVE SECRETARY
CYNTHIA A. THOMAS, ASSISTANT EXECUTIVE SECRETARY
MYRON TERRELL, ASSISTANT EXECUTIVE SECRETARY
DEBORAH WILKERSON, MANAGER I
DAVID CETLINSKI, MANAGER I

MARTY BANDEMER, ELECTED TRUSTEE
GREGORY BEST, ELECTED TRUSTEE
FRANK ENGLISH, ELECTED TRUSTEE
GEORGE ORZECZ, ELECTED TRUSTEE
PAUL STEWART, ELECTED TRUSTEE
JAMES MOORE, ELECTED TRUSTEE

JEFFREY BEASLEY, EX/OFFICIO TRUSTEE
ELLA BULLY-CUMMINGS, EX/OFFICIO TRUSTEE
SETH DOYLE, III, EX/OFFICIO TRUSTEE
SHEREECE FLEMING-FREEMAN, EX/OFFICIO TRUSTEE
DEDAN MILTON, EX/OFFICIO TRUSTEE
TYRONE SCOTT, EX/OFFICIO TRUSTEE
ALBERTA TINSLEY-TALABI, EX/OFFICIO TRUSTEE

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

Nays – None

Transition of Wells Capital Small-Cap Growth Account

By Mr. Doyle – Supported by Mr. Best

WHEREAS, The Board, by prior action, selected Wells Capital Management to manage a small-cap growth equity account with an initial allocation of \$50,000,000.00, and

WHEREAS, The Board, by prior action, designated that the account to be managed by Wells be funded by transitioning \$50,000,000.00 of assets from the Russell 2000 Growth Index account managed by Rhumbline, and

WHEREAS, The Board has solicited, received and reviewed proposals from its brokers of record to provide transition management services with respect to the aforementioned assets and accounts, and

WHEREAS, The Board has discussed this matter at length with staff on this date, therefore be it

RESOLVED, That Citigroup be hired to manage the transition of the aforementioned assets and accounts pursuant to their Agency Implementation Short-fall 2-Day proposal submitted to the Board:

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

Nays – None

SG CAPITAL GROUP

BY MR. MOORE – SUPPORTED BY MR. STEWART

RESOLVED, THAT **DERRON SANDERS** AND ANY ASSOCIATE(S) OF HIS CHOOSING BE REQUESTED TO APPEAR BEFORE THE BOARD FOR PRESENTATION (U. S. DIVERSIFIED REAL ESTATE VENTURES) PURPOSES:

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

Nays – None

EMPLOYER CONTRIBUTIONS FOR FISCAL YEAR ENDING 6-30-06

BY MR. DOYLE – SUPPORTED BY MS. TALABI

WHEREAS, IT HAS COME TO THE BOARD'S ATTENTION THAT THERE HAS BEEN A VARIANCE IN THE AMOUNT OF APPROXIMATELY \$7,179,297.65 IN THE CALCULATIONS OF THE RETIREMENT SYSTEM'S ACTUARY (\$64,986,629.40) AND THE EMPLOYER CITY BUDGET (\$57,807,331.74) REGARDING THE EMPLOYER CONTRIBUTIONS DUE THE RETIREMENT SYSTEM ON JUNE 30, 2006 (NET OF PENSION OBLIGATION CERTIFICATE PROCEEDS), AND

WHEREAS, THE EMPLOYER CITY HAS BUDGETED THE AMOUNT DUE THE RETIREMENT SYSTEM, NET OF PENSION OBLIGATION CERTIFICATE PROCEEDS) ON JUNE 30, 2006 AS \$64,986,629.40, BUT HAS INDICATED, NOTWITHSTANDING A POTENTIAL LEGAL DISPUTE, THAT IT APPEARS THAT THERE WERE MISUNDERSTANDINGS REGARDING THE CALCULATIONS, IN PART, DUE TO THE PENSION OBLIGATION CERTIFICATE PROCEEDS, THE TIMING OF RECEIPT OF THE FUNDS AND OTHER RELATED MATTERS, AND ACKNOWLEDGES THAT THE VARIANCE AMOUNT

EMPLOYER CONTRIBUTIONS FOR FISCAL YEAR ENDING 6-30-06

WILL BE FUNDED BUT PREFERS AND REQUESTS THAT THE AMOUNT BE PAID AS PART OF ANY UNFUNDED LIABILITY WITH OTHER PAYMENTS DUE JUNE 30, 2008 OR OTHERWISE SUBSEQUENTLY AGREED TO BY THE PARTIES, AND

WHEREAS, THE BOARD IS AWARE OF ITS FIDUCIARY RESPONSIBILITIES AND HAS DISCUSSED THIS MATTER WITH ITS ACTUARY AND GENERAL COUNSEL, THEREFORE BE IT

RESOLVED, THAT IN LIGHT OF THE TOTALITY OF CIRCUMSTANCES, THE BOARD HAS DECIDED THAT THE CALCULATION OF THE AMOUNT, RE: THE EMPLOYER CITY CONTRIBUTIONS NET OF PENSION OBLIGATION CERTIFICATE PROCEEDS WHICH WERE DUE ON JUNE 30, 2006, BE \$57,807,331.74, AND BE IT FURTHER

RESOLVED, THAT THE VARIANCE OF \$7,179,297.65 BE ADDED TO ANY UNFUNDED ACCRUED LIABILITY, HOWEVER, OTHER PAYMENTS DUE JUNE 30, 2006 BE PAID ON OR BEFORE **JUNE 30, 2007**, AND BE IT FURTHER

RESOLVED, THAT THE FINANCIAL REPORTS, INCLUDING APPLICABLE ACTUARIAL REPORTS, REFLECT AMOUNTS CONSISTENT WITH THIS RESOLUTION, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO THE MAYOR, CITY FINANCE DIRECTOR, CITY BUDGET DIRECTOR AND THE BOARD'S ACTUARY:

YEAS – TRUSTEES BEASLEY, DOYLE, FREEMAN, MOORE AND
TALABI – 5

NAYS – TRUSTEES BANDEMER, BEST, ORZECH, STEWART AND
CHAIRMAN ENGLISH – 5

THE FOREGOING MOTION FAILED.

EMPLOYER CONTRIBUTIONS FOR FISCAL YEAR ENDING 6-30-06

BY MR. BEASLEY – SUPPORTED BY MS. TALABI

WHEREAS, IT HAS COME TO THE BOARD'S ATTENTION THAT THERE HAS BEEN A VARIANCE IN THE AMOUNT OF APPROXIMATELY \$7,179,297.65 IN THE CALCULATIONS OF THE RETIREMENT SYSTEM'S ACTUARY (\$64,986,629.40) AND THE EMPLOYER CITY BUDGET (\$57,807,331.74) REGARDING THE EMPLOYER CONTRIBUTIONS DUE THE RETIREMENT SYSTEM ON JUNE 30, 2006 (NET OF PENSION OBLIGATION CERTIFICATE PROCEEDS), AND

WHEREAS, THE EMPLOYER CITY HAS BUDGETED THE AMOUNT DUE THE RETIREMENT SYSTEM, NET OF PENSION OBLIGATION CERTIFICATE PROCEEDS) ON JUNE 30, 2006 AS \$64,986,629.40, BUT HAS INDICATED, NOTWITHSTANDING A POTENTIAL LEGAL DISPUTE, THAT IT APPEARS THAT THERE WERE MISUNDERSTANDINGS REGARDING THE CALCULATIONS, IN PART, DUE TO THE PENSION OBLIGATION CERTIFICATE PROCEEDS, THE TIMING OF RECEIPT OF THE FUNDS AND OTHER RELATED MATTERS, AND ACKNOWLEDGES THAT THE VARIANCE AMOUNT WILL BE FUNDED BUT PREFERS AND REQUESTS THAT THE AMOUNT BE PAID AS PART OF ANY UNFUNDED LIABILITY WITH OTHER PAYMENTS DUE JUNE 30, 2008 OR OTHERWISE SUBSEQUENTLY AGREED TO BY THE PARTIES, AND

WHEREAS, THE BOARD IS AWARE OF ITS FIDUCIARY RESPONSIBILITIES AND HAS DISCUSSED THIS MATTER WITH ITS ACTUARY AND GENERAL COUNSEL, THEREFORE BE IT

RESOLVED, THAT IN LIGHT OF THE TOTALITY OF CIRCUMSTANCES, THE BOARD HAS DECIDED THAT THE CALCULATION OF THE AMOUNT, RE: THE EMPLOYER CITY CONTRIBUTIONS NET OF

EMPLOYER CONTRIBUTIONS FOR FISCAL YEAR ENDING 6-30-06

PENSION OBLIGATION CERTIFICATE PROCEEDS WHICH WERE DUE ON JUNE 30, 2006, BE \$57,807,331.74, AND BE IT FURTHER

RESOLVED, THAT THE VARIANCE OF \$7,179,297.65 BE PAID ON OR BEFORE **JUNE 30, 2008**, AND BE IT FURTHER

RESOLVED, THAT THE FINANCIAL REPORTS, INCLUDING APPLICABLE ACTUARIAL REPORTS, REFLECT AMOUNTS CONSISTENT WITH THIS RESOLUTION, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO THE MAYOR, CITY FINANCE DIRECTOR, CITY BUDGET DIRECTOR AND THE BOARD'S ACTUARY:

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

BY MR. BEASLEY – SUPPORTED BY MS. TALABI

RESOLVED, THAT THE FOREGOING MOTION BE TABLED:

Yeas – Trustees Bandemer, Beasley, Best, Doyle, Freeman, Moore, Orzech, Stewart, Talabi and Chairman English –
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Nays – None

PUBLIC FORUM

AT **2:35 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 **2:45 P.M.**
UNTIL THURSDAY, **APRIL 5, 2007**, AT 9:00 A.M., IN ROOM 910
OF THE COLEMAN A. YOUNG MUNICIPAL CENTER, DETROIT,
MICHIGAN 48226.

RESPECTFULLY SUBMITTED,

ASSISTANT EXECUTIVE SECRETARY

