

MEETING NUMBER **2630**

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



PROCEEDINGS HELD THURSDAY, **MAY 31, 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
Frank English	Elected Trustee/Chairperson
Shereece Fleming-Freeman	Ex/Officio Alternate Trustee
DeDan Milton	Ex/Officio Alternate Trustee
James Moore	Elected Trustee
Tyrone Scott	Ex/Officio Trustee/Fire Commissioner
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

George Orzech	Elected Trustee
---------------	-----------------

ABSENT

None

CHAIRPERSON

Frank English

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

STEWARD REAL ESTATE MANAGEMENT, LLC

BY MR. BEST – SUPPORTED BY MR. BANDEMER

Whereas, The Board has been presented with a May 25, 2007 communication from Steward Real Estate Management, LLC wherein Steward requests that the Board fund its portion of the capital call due for Steward Real Estate partners Fund I, L.P. in the amount of \$1,333,333.33, 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, Freeman, Moore, Scott, Stewart and Chairman English – 7

Nays – None

CONFIRMATIONS

BY MR. BANDEMER – SUPPORTED BY MR. BEST

CONFIRMATIONS

RESOLVED, THAT THE RECEIPTS WHICH ARE DESIGNATED BELOW BE CONFIRMED:

Yeas – Trustees Bandemer, Best, Freeman, Moore, Scott, Stewart and Chairman English – 7

Nays – None

CONFIRMATIONS

THE BOARD RECEIVED THE SUM OF **\$1,011,334.67** ON MAY 22, 2007 FROM TOUCHSTONE OPPORTUNITY, LIMITED

THE BOARD RECEIVED THE SUM OF **\$1,207,487.00** ON MAY 23, 2007 FROM WIND POINT PARTNERS IV

THE BOARD RECEIVED THE SUM OF **\$39,583.34** ON MAY 24, 2007 FROM HIGHPOINT OF ROMEOVILLE, LLC

THE BOARD RECEIVED THE SUM OF **\$942,347.54** ON MAY 25, 2007 FROM MAYFIELD GENTRY REALTY ADVISORS (REMITTANCE)

TOTAL: \$3,200,752.55

■ SPECIAL COUNSEL JOE TURNER ENTERED THE MEETING.

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

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 #3239, IN THE AMOUNT OF **\$1,396,407.96**, INCLUDING INTEREST, BE REFUNDED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

Yeas – Trustees Bandemer, Best, Freeman, Moore, Scott, Stewart and Chairman English – 7

Nays – None

MINUTES OF THURSDAY, MAY 10, 2007

BY MR. BEST – SUPPORTED BY MR. BANDEMER

RESOLVED, THAT THE MINUTES OF THE MEETING HELD **THURSDAY, MAY 10, 2007** BE APPROVED AS RECORDED AND SUBMITTED BY THE BOARD'S RECORDING SECRETARY:

Yeas – Trustees Bandemer, Best, Freeman, Moore, Scott, Stewart and Chairman English – 7

Nays – None

BILL PAYMENT REQUESTS

BY MR. STEWART – SUPPORTED BY MR. SCOTT

BILL PAYMENT REQUESTS

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 – MAY 11, 2007 - \$5,942.18 – POLICE AND FIRE PORTION OF \$11,884.36 – CONTRACT/MISCELLANEOUS SERVICES

ADP – MAY 18, 2007 - \$103.53 – POLICE AND FIRE PORTION OF \$207.06 – CONTRACT/MISCELLANEOUS SERVICES

AUTOMATED TELECOM, INC. – MAY 9, 2007 - \$1,500.00 – POLICE AND FIRE PORTION OF \$3,000.00 – OCTEL UM AND MM VOICE MAIL ANNUAL MAINTENANCE

CLARK HILL – MAY 22, 2007 - \$51,075.82 – APRIL, 2007 SERVICES – EDS, INC.

CLARK HILL – MAY 22, 2007 - \$5,185.50 – APRIL, 2007 SERVICES – MISCELLANEOUS

CLARK HILL – MAY 21, 2007 - \$225.00 – APRIL, 2007 SERVICES – JOEL SNYDER LITIGATION

CORE TECHNOLOGY – MAY 16, 2007 - \$1,400.00 – POLICE AND FIRE PORTION OF \$2,800.00 – MAINFRAME ACCESS/LICENSE RENEWAL

BILL PAYMENT REQUESTS

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

CORPORATE EXPRESS, INC. – MAY 8, 2007 - \$79.35 – POLICE AND FIRE PORTION OF \$158.70 – OFFICE SUPPLIES

ITS – MAY 29, 2007 - \$62,717.68 – MAY, 2007 CONTRACTUAL COMPUTER PROGRAMMERS' FEES

OFFICE DEPOT – MAY 14, 2007 - \$197.65 – POLICE AND FIRE PORTION OF \$395.29 – OFFICE SUPPLIES

O'NEAL, REGINALD – MAY 30, 2007 - \$2,535.00 – EXAMINATION FEES

QUILL CORPORATION – MAY 21, 2007 - \$255.51 – POLICE AND FIRE PORTION OF \$511.01 – OFFICE SUPPLIES

TECH DEPOT – MAY 7, 2007 - \$310.76 – POLICE AND FIRE PORTION OF \$621.51 – OFFICE SUPPLIES

TECH DEPOT – MAY 7, 2007 - \$204.63 – POLICE AND FIRE PORTION OF \$409.25. – OFFICE SUPPLIES

TECH DEPOT – MAY 7, 2007 - \$85.14 – POLICE AND FIRE PORTION OF \$170.27 – OFFICE SUPPLIES

Yeas – Trustees Bandemer, Best, Freeman, Moore, Scott, Stewart and Chairman English – 7

Nays – None

Pre-Employment Military Service Credit

By Mr. Stewart – Supported by Mr. Bandemer

Whereas, The individuals whose names are designated below have applied to this Board for Pre-Employment Military Service Credit and have complied with all of the necessary requirements of Section 54-30-3-B of the Charter Provisions, as amended by Board resolution of February 3, 1983, Therefore Be It

Resolved, That payment of the full amounts be made to the Pension Accumulation Fund by the method selected by the individuals and the number of months eligible active duty be credited them as membership service credit subject to the conditions and limitations of the authorizing Ordinance Provisions as amended by Board resolution of February 3, 1983:

George C. Moore – Police Officer

Yeas – Trustees Bandemer, Best, Freeman, Moore, Scott, Stewart and Chairman English – 7

Nays – None

■ TRUSTEE BEASLEY ENTERED THE MEETING.

CLOSED SESSION

By Mr. Bandemer – Supported by Mr. Beasley

Resolved, That the Board enter into Closed Session for the purpose of discussing matters involving attorney/client privilege:

CLOSED SESSION

A Roll Call Vote was taken as follows:

Yeas – Trustees Bandemer, Beasley, Best, Freeman,
Moore, Scott, Stewart and Chairman English – 8

Nays – None

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

■ TRUSTEE MILTON ENTERED THE MEETING DURING CLOSED SESSION.

■ TRUSTEE TALABI ENTERED THE MEETING DURING CLOSED SESSION.

OPEN SESSION

By Mr. Stewart – Supported by Mr. Bandemer

Resolved, That the Board return to Open Session:

A Roll Call Vote was taken as follows:

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

Nays – None

The Board returned to Open Session at **9:35 A.M.**

SMALL-CAP EQUITY ACCOUNTS/LOOP CAPITAL

BY MR. MILTON – SUPPORTED BY MR. MOORE

WHEREAS, BlackRock has been terminated as a small-cap growth manager for account number 591334, and

WHEREAS, Kennedy Capital Management has been terminated as a small-cap growth manager for account number 591375, and

WHEREAS, the funding of the replacement managers has been completed, and

WHEREAS, certain residual assets remain in the BlackRock and Kennedy accounts which are not intended to be utilized to fund any other investment managers, and

WHEREAS, the Board has discussed this matter with staff on this date, therefore be it

RESOLVED, that all of the assets remaining in the BlackRock (591334) and Kennedy (591375) accounts be transferred to the Board's liquid reserve account (591355), and be it further

RESOLVED, that any securities transferred to the Board's liquid reserve account (591355) be sold using Loop Capital Management, and be it further

RESOLVED, that accounts 591334 and 591375 be closed, and a copy of this resolution be forwarded to Loop Capital, The Bank of New York and Retirement System Accounting Staff:

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

Nays – None

LEGAL COUNSEL'S REPORTS

LEGAL COUNSEL RONALD ZAJAC DISCUSSED VARIOUS MATTERS WITH THE BOARD, INCLUDING ALVIN BROWN.

THE REQUEST OF ALVIN BROWN

BY MS. TALABI – SUPPORTED BY MR. SCOTT

WHEREAS, THE BOARD IS IN RECEIPT OF A MAY 23, 2007 LETTER FROM ALVIN BROWN WHICH IS IN THE NATURE OF AN APPEAL OF A DENIAL OF MR. BROWN'S MARCH 22, 2001 DUTY DISABILITY RETIREMENT APPLICATION, WHICH DENIAL WAS RE-AFFIRMED ON SEPTEMBER 12, 2005, AND

WHEREAS, THE MARCH 22, 2001 DENIAL WAS APPEALED TO A DISABILITY RETIREMENT REVIEW BOARD (DRRB) WHICH RESULTED IN DENIAL BY THE ARBITRATOR WHICH, PURSUANT TO COLLECTIVE BARGAINING PROVISIONS, IS FINAL AND BINDING ON ALL PARTIES, AND

WHEREAS, THE BOARD HAS DISCUSSED THIS MATTER WITH LEGAL COUNSEL, THEREFORE BE IT

RESOLVED, THAT MR. BROWN'S MAY 23, 2007 REQUEST IS DENIED BASED UPON THE "FINAL AND BINDING" PROVISIONS, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO MR. BROWN:

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

Nays – None

PRUDENTIAL INSURANCE COMPANY OF AMERICA (PRISA II)
\$20,000,000.00 INVESTMENT

BY MR. MILTON – SUPPORTED BY MR. BEST

Whereas, The Board has been requested to execute a May 3, 2007 Separate Account Contract Form and PRISA II Commitment Letter relative to the foregoing transaction, and

Whereas, The execution of said documents has been recommended by Prudential financial, and

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

Resolved, That said documents be **executed** by two (2) authorized signatories on behalf of the Board, and **wire transfers be made** consistent with **draw requests** and documentation and subject to established Retirement System procedures, and be it further

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

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

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

Nays – None

HALPIN VERSUS HALPIN
WAYNE COUNTY CASE NUMBER 06-608564-DO

BY MS. FREEMAN – SUPPORTED BY MR. MOORE

WHEREAS, THE BOARD IS IN RECEIPT OF A MAY 17, 2007 ELIGIBLE DOMESTIC RELATIONS ORDER WHICH AMENDS/SUPPLEMENTS A MARCH 6, 2007 JUDGMENT OF DIVORCE WHEREIN EILEEN HALPIN IS AWARDED CERTAIN RIGHTS TO THE DEFINED BENEFIT PLAN AND DEFINED CONTRIBUTION PLAN BENEFITS OF MARK B. HALPIN WHO IS CURRENTLY AN ACTIVE EMPLOYEE, AND

WHEREAS, THE BOARD HAS BEEN INFORMED THAT PARTICIPANT IS ELIGIBLE TO IMMEDIATELY RETIRE WITH AN EFFECTIVE DATE OF MARCH 6, 2006, THE BOARD NOTING THAT PARTICIPANT IS NOT YET ON THE RETIREMENT PAYROLLS, AND

WHEREAS, PARTICIPANT'S DATE OF BIRTH IS JUNE 18, 1984, AND, TO DATE, PARTICIPANT HAS ATTAINED 21 YEARS, 08 MONTHS AND 18 DAYS OF SERVICE CREDIT, AND

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

WHEREAS, DEFINED CONTRIBUTION PLAN AMOUNTS CAN BE MADE TO THE PARTICIPANT OR ALTERNATE PAYEE IMMEDIATELY, SUBJECT TO APPLICATION FOR SAME BEING MADE BY THE PARTY SEEKING PAYMENT, AND THE EARLIEST DATE THAT PAYMENTS

FROM THE DEFINED BENEFIT PLAN CAN BE MADE TO THE PARTICIPANT OR ALTERNATE PAYEE IS IMMEDIATELY, AND

HALPIN VERSUS HALPIN
WAYNE COUNTY CASE NUMBER 06-608564-DO

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 NOTING THE INFORMATION STATED ABOVE REGARDING PARTICIPANT NOT BEING ON RETIREMENT PAYROLLS, 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 THIS FILE BE FORWARDED TO THE BOARD'S ACTUARY FOR CALCULATION OF THE BENEFITS TO BE PAID TO THE FORMER SPOUSE EFFECTIVE JUNE 1, 2007, 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 LESLIE KNAPP, EILEEN HALPIN AND MARK BE HALPIN:

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

Nays – None

LINCK VERSUS LINCK
LIVINGSTON COUNTY CASE NUMBER 06-38371-DM

BY MS. FREEMAN – SUPPORTED BY MR. MOORE

WHEREAS, THE BOARD IS IN RECEIPT OF A MAY 15, 2007 CONSENT DOMESTIC RELATIONS ORDER WHICH AMENDS/SUPPLEMENTS A MAY 8, 2007 JUDGMENT OF SEPARATE MAINTENANCE WHEREIN SHARON LINCK IS AWARDED CERTAIN RIGHTS TO THE DEFINED BENEFIT PLAN AND DEFINED CONTRIBUTION PLAN BENEFITS OF ERIC MICHAEL LINCK, SR. WHO IS CURRENTLY AN ACTIVE EMPLOYEE, AND

WHEREAS, PARTICIPANT'S DATE OF BIRTH IS AUGUST 19, 1969, AND, TO DATE, PARTICIPANT HAS ATTAINED 06 YEARS AND 02 MONTHS OF SERVICE CREDIT, AND

WHEREAS, ALTERNATE PAYEE IS ENTITLED TO CLAIM A PORTION OF PARTICIPANT'S DEFINED CONTRIBUTION PLAN, PAYMENT OF WHICH IS SUBJECT TO PARTICIPANT'S ELIGIBILITY FOR WITHDRAWAL FROM DEFINED CONTRIBUTION PLAN AND SUBJECT TO ALTERNATE PAYEE FILING AN APPLICATION FOR SAME, AND ALTERNATE PAYEE IS ENTITLED TO CLAIM A PORTION OF PARTICIPANT'S DEFINED BENEFIT PLAN, AND

WHEREAS, DEFINED CONTRIBUTION PLAN AMOUNTS CAN BE MADE TO THE PARTICIPANT OR ALTERNATE PAYEE UPON PARTICIPANT ATTAINING 25 YEARS OF SERVICE CREDIT, OR TERMINATION OF SERVICE, OR UPON PARTICIPANT ATTAINING THE AGE OF 60 YEARS, OR UPON PARTICIPANT OTHERWISE BEING ELIGIBLE TO WITHDRAW AMOUNTS FROM THE DEFINED CONTRIBUTION PLAN AND SUBJECT TO APPLICATION FOR SAME BEING MADE BY THE PARTY SEEKING PAYMENT, AND THE

EARLIEST DATE THAT PAYMENTS FROM THE DEFINED BENEFIT PLAN
CAN BE MADE TO THE PARTICIPANT OR ALTERNATE PAYEE IS

LINCK VERSUS LINCK
LIVINGSTON COUNTY CASE NUMBER 06-38371-DM

UPON PARTICIPANT ATTAINING 25 YEARS OF SERVICE CREDIT OR
OTHERWISE RECEIVING RETIREMENT BENEFITS, 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, 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 PAUL DECOCQ,
ATTORNEY TIMOTHY HENSICK, SHARON LINCK AND ERIC
MICHAEL LINCK, SR.:

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

Nays – None

WITHERSPOON VERSUS WITHERSPOON
WAYNE COUNTY CASE NUMBER 00-033683-DM

BY MS. FREEMAN – SUPPORTED BY MR. MOORE

WHEREAS, THE BOARD IS IN RECEIPT OF A JUNE 5, 2001 JUDGMENT OF DIVORCE WHEREIN SHEILA WITHERSPOON IS AWARDED CERTAIN RIGHTS (I.E., 100%) TO THE DEFINED BENEFIT PLAN BENEFITS ONLY OF DAVID WITHERSPOON, AND

WHEREAS, PARTICIPANT'S DATE OF BIRTH IS NOVEMBER 9, 1958, AND PARTICIPANT HAD ATTAINED 16 YEARS, 05 MONTHS AND 17 DAYS 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 100% 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 UPON THE ENTRY OF A DOMESTIC RELATIONS ORDER (DRO), AND

WHEREAS, SAID MATTER HAS BEEN DISCUSSED WITH LEGAL COUNSEL WHO HAS OPINED THAT THE APPLICABLE TERMS OF SAID COURT ORDER ARE SUBJECT TO THE ENTRY OF A DOMESTIC RELATIONS ORDER

RESOLVED, THAT THE BOARD ACKNOWLEDGE RECEIPT OF SAID COURT ORDER BUT THAT NO BENEFITS BE PAID TO ANYONE

PENDING RECEIPT OF A FURTHER COURT ORDER ACCEPTABLE TO THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT A COPY OF THIS RESOLUTION BE IMMEDIATELY

WITHERSPOON VERSUS WITHERSPOON
WAYNE COUNTY CASE NUMBER 00-033683-DM

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 MICHAEL FORTNER, SHEILA WITHERSPOON AND DAVID WITHERSPOON:

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

Nays – None

KELLEY CAWTHORNE/DEEP WELL

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

WHEREAS, THE BOARD IS IN RECEIPT OF A MAY 25, 2007 PROPOSAL FROM FRANK KELLEY AND DENNIS CAWTHORNE OF KELLEY CAWTHORNE REGARDING THE PROVIDING OF SERVICES REGARDING THE DEEP WELL FACILITY AS A RESULT OF A TELEPHONE CONFERENCE CALL WITH THE BOARD OF TRUSTEES ON MAY 24, 2007, AND

WHEREAS, THE BOARD HAS CONSIDERED THE PROPOSAL OF KELLEY MCAWTHORNE, THEREFORE BE IT

RESOLVED, THAT THE BOARD HAS NO FURTHER INTEREST IN THE SERVICES OF KELLY CAWTHORNE REGARDING THIS MATTER, AND BE IT FURTHER

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

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

Nays – None

FALCONHEAD CAPITAL

DAVID MOROSS AND AN ASSOCIATE APPEARED BEFORE THE BOARD, DISCUSSED FALCONHEAD CAPITAL PARTNERS II, L.P. AND THEN EXCUSED THEMSELVES.

CITI-SMITH BARNEY
CVC INTERNATIONAL

BY MR. BANDEMER – SUPPORTED BY MR. MOORE

WHEREAS, The Board of Trustees of the Police and Fire Retirement System of the City of Detroit (the “Board”) is in receipt of the foregoing investment proposal, 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, its advisors or counsels, and

WHEREAS, The Board has indicated its willingness to further consider making this proposed investment subject to (i) receipt of a favorable due diligence report from North Point Advisors (the “Board’s Advisor”), (ii) certain additional terms and modifications of said proposal, which may be identified by the Board or the Board’s Advisor, and (iii) certain additional terms and modifications which may be recommended by special legal counsel (the “Special Legal Counsel”) following Special Legal Counsel’s review and/or drafting of the investment documents (the “Transaction 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 Police and Fire Retirement System of the City of Detroit (the "Retirement System") in its capacity as [Investor] [Lender], and

CITI-SMITH BARNEY
CVC INTERNATIONAL

WHEREAS, Upon the Board's Advisor submitting a favorable due diligence report, the Board will select Special Legal Counsel who is likely to submit proposed modifications regarding the proposed transaction to protect the interests of the Retirement System, including, but not limited to, the Board's UBTI concerns, 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] [Project Sponsor], and subject to approval of final documents by the Board, Special Legal Counsel and General Counsel, 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 execute, documents being met by the parties, including specifically all costs of the Board, including but not limited to, due diligence fees, legal fees and expenses being paid from separate escrow accounts funded by [Borrower] [Project Sponsor] or entities other than the Board 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, or for any other reason deciding not to proceed with the transaction, and be it further

CITI-SMITH BARNEY
CVC INTERNATIONAL

RESOLVED, That the Board notes the likelihood of suggested additional changes to the proposal will be made by the Board, Board's Advisor, any applicable due diligence monitor and/or other 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, with the understanding that the investment shall not contemplate UBTI for the Retirement System, and be it further

RESOLVED, That upon the Board selecting Special Legal Counsel regarding this matter, arrangements be made with the Retirement System for proposed Plan Sponsor to escrow funds for payment of all attorney fees, costs and expenses, 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, and be it further

RESOLVED, That a copy of this resolution be forwarded to Citi-Smith Barney, North Point Advisors and the Board's Special Legal Counsel:

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

Nays – None

FALCONHEAD CAPITAL PARTNERS II, L.P. INVESTMENT
FALCONHEAD CAPITAL (PROJECT SPONSOR)
\$10,000,000.00 PROPOSED INVESTMENT

BY MR. BEASLEY – SUPPORTED BY MR. BEST

WHEREAS, the Board of Trustees of the Police and Fire Retirement System of the City of Detroit (the “Board”) has indicated its interest in making the foregoing investment subject to a number of conditions being met, including the (i) receipt of a favorable due diligence report from North Point Advisors and (ii) business advisor, and approval of final transaction documents after all negotiations are completed by the Board’s counsel and special legal counsel, and

WHEREAS, the Board’s continued interest in this investment is conditioned upon the understanding and confirmation by the business advisor and special legal counsel that the investment does not generate UBTI (unrelated business taxable income), and

WHEREAS, the Board notes that legal services required to prepare the proposed transaction documents for consideration by the Board will be fairly extensive and time-consuming and will require immediate attention, requiring consecutive hours of attention by special legal counsel, and

WHEREAS, the Board’s policy in such cases is to require the project sponsor or its designee to establish, and replenish as needed, an escrow account for the due diligence fee, the amount of such escrow account shall be mutually agreed to by the Retirement System and business advisor, and

WHEREAS, the Board's policy in such cases is to select and retain special legal counsel relative to such investment

FALCONHEAD CAPITAL PARTNERS II, L.P. INVESTMENT
FALCONHEAD CAPITAL (PROJECT SPONSOR)
\$10,000,000.00 PROPOSED INVESTMENT

proposal who will report to the Board's general counsel and to the Board, as appropriate, with fees and expenses of said special legal counsel to be paid for from an escrow account funded by the proposed project sponsor, and

WHEREAS, the Board notes the possibility that the preliminary legal services or due diligence report regarding the transaction may result in a finding that the proposed project sponsor is unable to meet the requirements of the Retirement System as investor Therefore Be It

RESOLVED, that the aforesaid investment proposal be assigned to F. Logan Davidson as special legal counsel, and be it further

RESOLVED, that a further condition of the Board's continued interest in making this investment is the proposed project sponsor providing the Assistant Executive Secretary with written confirmation that proposed project sponsor acknowledges receipt of this resolution and agrees to the terms therein, and be it further

RESOLVED, that special legal counsel and the Assistant Executive Secretary arrange for an escrow account into which proposed project sponsor will provide funds for costs, expenses and legal services, to the extent that such costs exceed the amounts in the escrow account, and replenish said escrow account and/or pay the remaining balance of the final costs, expenses and legal services, and be it further

RESOLVED, that special legal counsel submit itemized billings to the proposed project sponsor with copies to the Retirement System, and be it further

FALCONHEAD CAPITAL PARTNERS II, L.P. INVESTMENT
FALCONHEAD CAPITAL (PROJECT SPONSOR)
\$10,000,000.00 PROPOSED INVESTMENT

RESOLVED, that business advisor submit an invoice to the proposed project sponsor with copies to the Retirement System, and be it further

RESOLVED, that the amount to be escrowed will be mutually determined by special legal counsel and Board's Assistant Executive Secretary and will be reported to the Board with the understanding that legal services will be performed only after the establishment of such escrow account and to the extent of such escrow deposit(s) or replenishment thereof; provided, however, subsequent to exhausting the amounts in the escrow account, any costs, expenses and legal services actually incurred shall be paid by project sponsor, and be it further

RESOLVED, that a copy of this resolution be provided to Falconhead Capital Partners, North Point Advisors and the Board's Special Counsel, F. Logan Davidson:

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

Nays – None

\$10,000,000.00 RIVER ROAD FUND INVESTMENT
MARWOOD ALTERNATIVE ASSET MANAGEMENT
(PROJECT SPONSOR)

BY MR. MOORE – SUPPORTED BY MS. TALABI

WHEREAS, the Board of Trustees of the Police and Fire Retirement System of the City of Detroit (the “Board”) has indicated its interest in making the foregoing investment subject to a number of conditions being met, including the approval of final transaction documents after all negotiations are completed by the Board Counsel and Special Legal Counsel, and

WHEREAS, the Board notes that legal services required to prepare the proposed transaction documents for consideration by the Board will be fairly extensive and time-consuming and will require immediate attention, requiring consecutive hours of attention by Special Legal Counsel, and

WHEREAS, the Board’s policy in such cases is to select and retain Special Legal Counsel relative to such investment proposal who will report to the Board’s General Counsel and to the Board, as appropriate, with fees and expenses of said Special Legal Counsel to be paid for from an escrow account funded by the proposed project sponsor, and

WHEREAS, the Board notes the possibility that the preliminary legal services or due diligence report regarding the transaction may result in a finding that the proposed project sponsor is

unable to meet the requirements of the Retirement System as investor, Therefore Be It

\$10,000,000.00 RIVER ROAD FUND INVESTMENT
MARWOOD ALTERNATIVE ASSET MANAGEMENT
(PROJECT SPONSOR)

RESOLVED, that the aforesaid investment proposal be assigned to Joe Turner of Clark Hill as Special Legal Counsel, and be it further

RESOLVED, that a further condition of the Board's continued interest in making this investment is the proposed project sponsor providing the Assistant Executive Secretary with written confirmation that proposed project sponsor acknowledges receipt of this resolution and agrees to the terms therein, and be it further

RESOLVED, that Special Legal Counsel and the Assistant Executive Secretary arrange for an escrow account into which proposed project sponsor will provide funds for costs, expenses and legal services, to the extent that such costs exceed the amounts in the escrow account, and replenish said escrow account and/or pay the remaining balance of the final costs, expenses and legal services, and be it further

RESOLVED, that Special Legal Counsel submit itemized billings to the proposed project sponsor with copies to the Retirement System, and be it further

RESOLVED, that the amount to be escrowed will be mutually determined by Special Legal Counsel and Board's Assistant Executive Secretary and will be reported to the Board with the understanding that legal services will be performed only after

the establishment of such escrow account and to the extent of such escrow deposit(s) or replenishment thereof; provided, however, subsequent to exhausting the amounts in the escrow account, any costs, expenses and legal services actually incurred shall be paid by project sponsor, and be it further

\$10,000,000.00 RIVER ROAD FUND INVESTMENT
MARWOOD ALTERNATIVE ASSET MANAGEMENT
(PROJECT SPONSOR)

RESOLVED, that a copy of this resolution be provided to Marwood Asset Management, the Board's Special Counsel, Clark Hill, and Retirement System Accounting Staff:

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

Nays – None

MCRAE GROUP OF COMPANIES

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

RESOLVED, THAT RON MCRAE AND ANY ASSOCIATE OF HIS CHOOSING BE REQUESTED TO APPEAR BEFORE THE BOARD TO DISCUSS MCRAE'S "EQUITY FUNDING" PROPOSAL:

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

Nays – None

LIFE ASSURANCE FUND

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

RESOLVED, THAT DEREK BATTS AND ANY ASSOCIATE OF HIS CHOOSING BE REQUESTED TO APPEAR BEFORE THE BOARD TO DISCUSS THE LIFE ASSURANCE FUND:

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

Nays – None

TOUCHSTONE OPPORTUNITY FUND IV
\$25,000,000.00 PROPOSED INVESTMENT

BY MR. BEST – 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 accepted a favorable due diligence report submitted by North Point Advisors per Mr. Adrian Anderson, and

Whereas, The Board is satisfied with the transaction documents regarding UBTI issues, and

Whereas, The Board has previously made similar investments with Touchstone principals, 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 project sponsor, 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

TOUCHSTONE OPPORTUNITY FUND IV
\$25,000,000.00 PROPOSED INVESTMENT

and content by the Board and approved as to form by the Board's Legal Counsel and are executed by the Board, including, specifically, all costs of the Board, including any special counsel legal fees being paid by Touchstone, and be it further

Resolved, That in the event the Board selects 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 upon execution of all final transaction documents by all parties, the Board honor all draw request consistent with established procedures, and be it further

Resolved, That a copy of this resolution be forwarded to Touchstone Partners and any Special Legal Counsel which may be selected by the Board:

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

Nays – None

ONYX FINANCIAL
\$10,000,000.00 PROPOSED INVESTMENT

BY MR. BEASLEY – SUPPORTED BY MS. TALABI

WHEREAS, THE BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT (THE "BOARD") HAS PREVIOUSLY APPROVED AN INVESTMENT IN ONYX CAPITAL FOR AN AMOUNT NOT TO EXCEED TEN PERCENT (10%) OF THE TOTAL CAPITAL CONTRIBUTIONS, UP TO \$10,000,000.00, AND

WHEREAS, RECENTLY, THE INVESTMENT SPONSOR REQUESTED THE BOARD CONSIDER ELIMINATING THE TEN PERCENT (10%) INVESTMENT LIMITATION REQUIREMENT, AND

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

RESOLVED, THAT THE BOARD APPROVE THE INVESTMENT SPONSOR'S REQUEST TO ELIMINATE THE TEN PERCENT (10%) INVESTMENT LIMITATION REQUIREMENT OF THE PREVIOUSLY APPROVED INVESTMENT, AND BE IT FURTHER

RESOLVED, THAT UPON RECEIPT OF THE APPROPRIATE DISBURSEMENT REQUEST, THE BOARD HEREBY APPROVES THE FUNDING OF THE INVESTMENT AND AUTHORIZES UP TO \$10,000,000.00 OF TOTAL WIRE TRANSFERS TO THE INVESTMENT MANAGER OR ITS AGENT AS DESCRIBED IN THE DRAW REQUESTS WHICH SHALL BE HONORED CONSISTENT WITH THE BOARD'S ESTABLISHED PROCEDURES SUBJECT TO THE REVIEW AND APPROVAL OF ALL AUTHORIZED SIGNATORIES, AND BE IT FURTHER

RESOLVED, THAT ALL OTHER PROVISIONS OF THE PREVIOUSLY APPROVED INVESTMENT SHALL REMAIN IN FULL FORCE AND EFFECT, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO ONYX FINANCIAL, NORTH POINT ADVISORS, THE BOARD'S SPECIAL COUNSEL, F. LOGAN DAVIDSON, AND RETIREMENT SYSTEM ACCOUNTING STAFF:

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

Nays – None

CONFERENCE

By Mr. Moore – Supported by Mr. Stewart

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

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

16th Annual Public Fund Boards Forum
California
December 7, 2007 – December 12 ,2007

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

Nays – None

Bank of New York Client Advisory Meeting

By Mr. Bandemer – Supported by Mr. Stewart

WHEREAS, the Board's Investment Analyst has been invited by The Bank of New York to participate in its client advisory meeting to be held on June 12, 2007 in New York, and

WHEREAS, The Bank of New York has agreed to pay the airfare and lodging expenses for the Board's Investment Analyst to attend the meeting, therefore be it

Bank of New York Client Advisory Meeting

RESOLVED, that the attendance of the Board's Investment Analyst be approved to attend the Bank of New York client advisory meeting to be held on June 12, 2007 in New York:

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

Nays – None

PUBLIC FORUM

AT **10:35 A.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 **10:40 A.M.** UNTIL THURSDAY, **MAY 31, 2007**, AT **9:00 A.M.**, IN ROOM 910 OF THE COLEMAN A. YOUNG MUNICIPAL CENTER, DETROIT, MICHIGAN 48226.

RESPECTFULLY SUBMITTED,

CYNTHIA A. THOMAS
ASSISTANT EXECUTIVE SECRETARY