

MEETING NUMBER **2645**

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



PROCEEDINGS HELD THURSDAY, SEPTEMBER 13 ,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/Vice Chairperson
Jeffrey Beasley	Ex/Officio Trustee/Treasurer
Gregory Best	Elected Trustee/Chairperson
Shereece Fleming-Freeman	Ex/Officio Alternate Trustee
DeDan Milton	Ex/Officio Alternate Trustee
James Moore	Elected Trustee
George Orzech	Elected Trustee
Jeffrey Pegg	Elected Trustee
Tyrone Scott	Ex/Officio Trustee-Fire Commissioner
Paul Stewart	Elected Trustee
Alberta Tinsley-Talabi	Ex/Officio Trustee/City Council Rep.
Walter Stampor	Executive Secretary
Cynthia Thomas	Assistant Executive Secretary
Janet S. Lenear	Recording Secretary
Ronald Zajac	Legal Counsel
Joe Turner	Special Legal Counsel

EXCUSED

Richard Huddleston	Investment Analyst
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ABSENT

None

## **CHAIRPERSON**

**Gregory Best**

ROLL CALL WAS TAKEN AT **9:13 A.M.** BY THE BOARD'S RECORDING SECRETARY AND THE MEETING WAS CALLED TO ORDER.

Capri Capital Partners

By Mr. Bandemer – Supported by Mr. Stewart

Whereas, The Board has been presented with a September 11, 2007 communication from Capri Capital Partners wherein Capri Capital Partners requests that the Board fund its portion of the capital call due for **Capri Select Income II, LLC** in the amount of **\$1,430,400.00**, 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, Freeman, Pegg, Scott, Stewart, Talabi and Chairman Best – 7

Nays – None

Energy Investors Fund

By Mr. Bandemer – Supported by Mr. Stewart

Whereas, The Board has been presented with a September 11, 2007 communication from Energy Investors Fund wherein Energy Investors Fund requests that the Board fund its portion of the capital call due for **U. S. Power Fund II Institutional Fund, L.P.** in the amount of **\$387,894.00**, Therefore Be It

Energy Investors Fund

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

Yeas – Trustees Bandemer, Freeman, Pegg, Scott, Stewart, Talabi and Chairman Best – 7

Nays – None

Prudential Financial

By Mr. Bandemer – Supported by Mr. Stewart

Whereas, The Board has been presented with a September 12, 2007 communication from Prudential Financial wherein Prudential Financial requests that the Board fund its portion of the capital call due for **PRISA II** in the amount of **\$2,700,000.00**, 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, Freeman, Pegg, Scott, Stewart, Talabi and Chairman Best – 7

Nays – None

Retirements

By Mr. Bandemer – Supported by Mr. Stewart

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

Retirements

Yeas – Trustees Bandemer, Freeman, Pegg, Scott, Stewart,  
Talabi and Chairman Best – 7

Nays – None

RETIREMENTS

NAME, TITLE, DEPARTMENT	<i>SHARON BARKSDALE</i> – WIDOW OF DECEASED <i>WILLIAM BARKSDALE</i> – OFFICER - POLICE
RETIREMENT, PLAN	NON/DUTY (WIDOW) - NEW
SERVICE CREDIT, EFFECTIVE DATE	25 00 00 – 02 07 00

NAME, TITLE, DEPARTMENT	<i>ANDRE WOLFE, II</i> – CHILD OF DECEASED <i>ANDRE WOLFE</i> – FIRE FIGHTER/DRIVER - FIRE
RETIREMENT, PLAN	DUTY DEATH (CHILD) - NEW
SERVICE CREDIT, EFFECTIVE DATE	09 09 08 – 05 07 07

NAME, TITLE, DEPARTMENT	<i>ARIANNA WOLFE</i> – CHILD OF DECEASED <i>ANDRE WOLFE</i> – FIRE FIGHTER/DRIVER - FIRE
RETIREMENT, PLAN	DUTY DEATH (CHILD) - NEW
SERVICE CREDIT, EFFECTIVE DATE	09 09 08 – 05 07 07

NAME, TITLE, DEPARTMENT	<i>AVERY WOLFE</i> – CHILD OF DECEASED <i>ANDRE WOLFE</i> – FIRE FIGHTER/DRIVER - FIRE
RETIREMENT, PLAN	DUTY DEATH (CHILD) - NEW
SERVICE CREDIT, EFFECTIVE DATE	09 09 08 – 05 07 07

RETIREMENTS

NAME, TITLE, DEPARTMENT                      *TONI SPANN* – OFFICER - POLICE  
 RETIREMENT, PLAN                              SERVICE - NEW  
 SERVICE CREDIT, EFFECTIVE DATE        21 05 01 – 09 15 07

Confirmations

By Mr. Bandemer – Supported by Mr. Stewart

Resolved, That the disbursements and receipts which are outlined below be confirmed:

Yeas – Trustees Bandemer, Freeman, Pegg, Scott, Stewart, Talabi and Chairman Best – 7

Nays – None

**DISBURSEMENTS**

<b>Police and Fire Retirement Systems of the City of Detroit</b>			
<b>September 5-11, 2007</b>			
<b>Date</b>	<b>Wired To</b>	<b>Explanation</b>	<b>Amount</b>
9/7/2007	<b>General Fund</b>	<b>Check-Write Administrative Expense</b>	<b>\$108,738.56</b>
	<b>Ronald Reeves</b>	<b>Programmer- Pay 8/27-8/31</b>	<b>960.00</b>
	<b>Plante &amp; Moran</b>	<b>Initial Audit Fee for FY06-07</b>	<b>1,900.00</b>
	<b>Loop Capital Market</b>	<b>Brokers Fee Re: FAM-Global</b>	<b>30,000.00</b>
	<b>SW Pelham</b>	<b>Draw #5</b>	<b>49,487.00</b>
9/10/2007	<b>North Point</b>	<b>Due Diligence-Real Times</b>	<b>12,000.00</b>
	<b>Bank of New York</b>	<b>1st Qtr '07 Fee-EAFE Index</b>	<b>61,554.76</b>
9/11/2007	<b>First Independence</b>	<b>List # 3252</b>	<b>70,000.00</b>
		<b>TOTAL DISBURSEMENT</b>	<b>\$334,640.32</b>

**RECEIPTS**

<b>Police and Fire Retirement Systems of the City of Detroit</b>			
<b>September 5-11, 2007</b>			
<b>Date</b>	<b>Received From</b>	<b>Explanation</b>	<b>Amount</b>
	<b>Bank of New York</b>		
<b>9/5/2007</b>	<b>Wind Point Partners 1V</b>	<b>Distribution #8</b>	<b>3,294,237.00</b>
<b>9/6/2007</b>	<b>One Kennedy Square</b>	<b>Interest-September '07</b>	<b>16,791.66</b>
<b>9/7/2007</b>	<b>General Fund</b>	<b>Weekly Annuity contribution - Week 10/08</b>	<b>99,444.98</b>
<b>9/10/2007</b>	<b>Columns of Kentucky</b>	<b>Interest-August '07</b>	<b>15,101.32</b>
	<b>Trellises of Kentucky</b>	<b>Interest-August '07</b>	<b>24,910.33</b>
<b>9/11/2007</b>	<b>Kales Building</b>	<b>Interest-August '07</b>	<b>48,161.72</b>
	<b>Construction Loan</b>		
<b>9/5/2007</b>	<b>Munimae Midland</b>	<b>Interest Letter of Credit-Wachovia</b>	<b>22,851.29</b>
<b>9/10/2007</b>	<b>Churchill Mortgage</b>	<b>Construction Loan Interest-August '07</b>	<b>5,841.05</b>
	<b>Munimae Midland</b>	<b>Construction Loan Interest-August '07</b>	<b>474,008.14</b>
	<b>Comerica</b>		
<b>9/6/2007</b>	<b>Evergreen Funds</b>	<b>Miscellaneous Receipts</b>	<b>581.50</b>
	<b>Solomon Bills</b>	<b>Purchase 36 month Military Service</b>	<b>5,919.99</b>
<b>9/7/2007</b>	<b>Stratford, Dorsey, Dudley, Fountain &amp; Yancey</b>	<b>Express Mail Fee</b>	<b>75.00</b>
		<b>Total Receipts</b>	<b>4,001,347.49</b>

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 #3253, IN THE AMOUNT OF \$3,479,894.99, INCLUDING INTEREST, BE REFUNDED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

Yeas – Trustees Bandemer, Freeman, Pegg, Scott, Stewart, Talabi and Chairman Best – 7

Nays – None

MINUTES OF THURSDAY, AUGUST 23, 2007  
MINUTES OF THURSDAY, AUGUST 30, 2007

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

RESOLVED, THAT THE MINUTES OF THE MEETING HELD THURSDAY, AUGUST 23, 2007 BE APPROVED AS RECORDED AND SUBMITTED BY THE BOARD'S RECORDING SECRETARY, AND BE IT FURTHER

RESOLVED, THAT THE MINUTES OF THE MEETING HELD THURSDAY, AUGUST 30, 2007 BE APPROVED AS RECORDED AND SUBMITTED BY THE BOARD'S RECORDING SECRETARY:

Yeas – Trustees Bandemer, Freeman, Pegg, Scott, Stewart, Talabi and Chairman Best – 7

Nays – None

TRUSTEE **MOORE** ENTERED THE MEETING.

BILL PAYMENT REQUESTS

BY MS. TALABI – SUPPORTED BY MR. SCOTT

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

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

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

BILL PAYMENT REQUESTS

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

ADP, INC. – AUGUST 24, 2007 - \$92.39 – POLICE AND FIRE  
PORTION OF \$184.77 – SUPPLIES

ADP, INC. – AUGUST 31, 2007 - \$96.17 – POLICE AND FIRE  
PORTION OF \$192.34 – SUPPLIES

CAWTHORNE, KELLEY – SEPTEMBER 13, 2007 - **\$5,000.00** –  
CONSULTING SERVICES

GABRIEL, ROEDER, SMITH & COMPANY - SEPTEMBER 4, 2007 -  
**\$4,700.00** – SEPTEMBER, 2007 ACTUARIAL SERVICES

GRAPHIC SCIENCES – AUGUST 31, 2007 - \$238.24 – POLICE AND  
FIRE PORTION OF \$476.47 - SUPPLIES

HOWARD & HOWARD – SEPTEMBER 10, 2007 - **\$2,210.00** – LEGAL  
FEES FOR SERVICES RENDERED THROUGH AUGUST 30, 2007

IRON MOUNTAIN – AUGUST 31, 2007 - \$204.86 – POLICE AND FIRE  
PORTION OF \$409.72 - SUPPLIES

NCPERS – SEPTEMBER 12, 2007 - **\$600.00** – 2008 MEMBERSHIP  
DUES

OFFICE DEPOT – SEPTEMBER 3, 2007 - \$261.38 – POLICE AND FIRE  
PORTION OF \$522.75 – SUPPLIES

PDS, INC. – SEPTEMBER 11, 2007 - \$3,137.57 – POLICE AND FIRE  
PORTION OF \$6,275.13 – COMPUTER EQUIPMENT, SOFTWARE,  
SUPPLIES, TRAINING, MAINTENANCE

BILL PAYMENT REQUESTS

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

THALNER ELECTRONIC LABORATORIES – SEPTEMBER 11, 2007 -  
**\$3,933.05** – POLICE AND FIRE PORTION OF **\$7,866.09** –  
EQUIPMENT REPAIRS AND MAINTENANCE

THE TOWNSEND GROUP – SEPTEMBER 1, 2007 - **\$11,250.00** –  
SEPTEMBER, 2007 SERVICES

Yeas – Trustees Bandemer, Freeman, Moore, Pegg, Scott,  
Stewart, Talabi and Chairman Best – 8

Nays – None

REQUEST: LUIS CABAN

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

WHEREAS, **LUIS CABAN** HAS PRESENTED THE BOARD WITH A  
SEPTEMBER 12, 2007 REQUEST TO CANCEL HIS JUNE 14, 2007  
DUTY DISABILITY RETIREMENT APPLICATION, AND

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

RESOLVED, THAT THE REQUEST OF **MR. CABAN** IS HEREBY  
APPROVED:

Yeas – Trustees Bandemer, Freeman, Moore, Pegg, Scott,  
Stewart, Talabi and Chairman Best – 8

Nays – None

MAPERS

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

WHEREAS, PER A SEPTEMBER 9, 2007 COMMUNICATION, MAPERS REQUESTS THAT THE BOARD NAME A DELEGATE TO REPRESENT THE BOARD WITH RESPECT TO MAPERS SEPTEMBER 17, 2007 ELECTIONS, AND

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

RESOLVED, THAT THE BOARD HEREBY NAMES TRUSTEE **JAMES MOORE** TO REPRESENT THE BOARD REGARDING SAID ELECTIONS:

Yeas – Trustees Bandemer, Freeman, Moore, Pegg, Scott, Stewart, Talabi and Chairman Best – 8

Nays – None

TRUSTEE **MILTON** ENTERED THE MEETING.

NORTH POINTE CAPITAL

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

WHEREAS, THE BOARD HAS BEEN REQUESTED TO EXECUTE A “CONSENT FORM” (RE: ASSIGNMENT OF THE BOARD’S ADVISORY AGREEMENT WITH NORTH POINT CAPITAL) RELATIVE TO THE AFORESAID TRANSACTION, AND

WHEREAS, THE EXECUTION OF SAID DOCUMENT HAS BEEN RECOMMENDED BY NORTH POINT CAPITAL, AND

WHEREAS, THE EXECUTION OF SAID DOCUMENT HAS BEEN REVIEWED AND APPROVED AS TO FORM BY THE BOARD’S

NORTH POINTE CAPITAL

GENERAL 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 AUTHORIZED SIGNATORIES ON THE BOARD'S BEHALF, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO NORTH POINTE CAPITAL AND RETIREMENT SYSTEM ACCOUNTING STAFF:

Yeas – Trustees Bandemer, Freeman, Milton, Moore, Pegg, Scott, Stewart, Talabi and Chairman Best – 9

Nays – None

MMA FINANCIAL

**PAUL BERNARD** AND **THOMAS ZDRODOWSKI** APPEARED BEFORE THE BOARD, DISCUSSED THREE (3) LETTER OF CREDIT OFFERINGS AND MEADOWS PLACE SENIOR VILLAGE (FOR WHICH THEY REQUESTED THE BOARD APPROVE A PARTIAL WAIVER OF FEES) AND THEN EXCUSED THEMSELVES.

TRUSTEE **FREEMAN** TEMPORARILY EXCUSED HERSELF.

PARADIGM

**GREGORY PAI** AND **EUGENE DUFFY** APPEARED BEFORE THE BOARD, DISCUSSED PERFORMANCE AND SMALL-CAP GROWTH INVESTING AND THEN EXCUSED THEMSELVES.

LEGAL COUNSEL'S REPORTS

LEGAL COUNSEL RONALD ZAJAC DISCUSSED VARIOUS MATTERS WITH THE BOARD, INCLUDING KLA-TENCOR, THE BOARD'S DROP PROGRAM, THE GREENING OF DETROIT PARK AND MCMANN/MCRAE.

KLA-TENCOR CLASS ACTION LITIGATION

LEGAL COUNSEL PROVIDED THE BOARD WITH A STATUS UPDATE REGARDING THIS LITIGATION.

MCMANN GROUP/MCRAE  
\$15,000,000.00 PROPOSED INVESTMENT

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

Whereas, 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 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 of Trustees, as appropriate, with fees and expenses of said Special Legal Counsel to be paid for from an escrow account funded by the Proposed Borrower, and

MCMANN GROUP/MCRAE  
\$15,000,000.00 PROPOSED INVESTMENT

Whereas, The Board notes the possibility the preliminary legal services regarding the transaction may result in findings that the proposed Borrower will not be able to meet the requirement of the Retirement System as Lender/Investor, THEREFORE BE IT

Resolved, That the aforesaid investment proposal be assigned to **F. Logan Davidson, P.C.** as Special Legal Counsel, and be it further

Resolved, That a further condition of the Board's continued interest in making this investment loan is proposed Borrower providing the Assistant Administrative Supervisor with written confirmation that proposed Borrower acknowledges receipt of this resolution and agrees to the terms therein, and be it further

Resolved, That Special Legal Counsel and the Assistant Administrative Supervisor arrange for an escrow account into which proposed Borrower will provide funds for costs, expenses and legal services, and be it further

Resolved, That Special Legal Counsel submit itemized billings to the proposed Borrower 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 proposed Borrower and will be reported to the Board of Trustees and the escrow may be funded in stages with the understanding that legal services will be performed only to the extent of, and after, the escrow deposit(s), and be it further

Resolved, That a copy of this resolution be provided proposed Borrower and Special Legal Counsel:

MCMANN GROUP/MCRAE  
\$15,000,000.00 PROPOSED INVESTMENT

Yeas – Trustees Bandemer, Milton, Moore, Pegg, Scott, Stewart,  
Talabi and Chairman Best – 8

Nays – None

RDD INVESTMENT CORPORATION/CLOSED SESSION

BY MR. BANDEMER – SUPPORTED BY MR. MOORE

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, Milton, Moore, Pegg, Scott, Stewart,  
Talabi and Chairman Best – 8

Nays – None

The Board entered into Closed Session at **10:40 A.M.**

TRUSTEE **ORZECH** ENTERED THE MEETING DURING CLOSED SESSION.

OPEN SESSION

BY MR. BANDEMER – SUPPORTED BY MR. PEGG

Resolved, That the Board return to Open Session:

A Roll Call Vote was taken as follows:

OPEN SESSION

Yeas – Trustees Bandemer, Milton, Moore, Orzech, Pegg, Scott, Stewart, Talabi and Chairman Best – 9

Nays – None

The Board returned to Open Session at **11:18 A.M.**

TRUSTEE **FREEMAN** RE-JOINED THE MEETING.

TRANS INDUSTRIES CAPITAL

**WILLIAM GRUITS** AND **BRIAN BANNING** APPEARED BEFORE THE BOARD, DISCUSSED A CHROMING FACILITY PROPOSAL AND THEN EXCUSED THEMSELVES.

BLACK EAGLE

**MICHAEL MADDEN, HARRY WATSON** AND **JASON RONCO** APPEARED BEFORE THE BOARD, DISCUSSED A PRIVATE EQUITY PROPOSAL AND THEN EXCUSED THEMSELVES.

KELLEY CAWTHORNE

**DENNIS CAWTHORNE** APPEARED BEFORE THE BOARD, DISCUSSED THE EPA AS IT RELATES TO THE RDD INVESTMENT CORPORATION AND THEN EXCUSED HIMSELF.

CAPRI

**QUINTON PRIMO** AND **GWENDOLYN BUTLER** APPEARED BEFORE THE BOARD, DISCUSSED PERFORMANCE AND CAPRI'S STRATEGY FOR URBAN INVESTING AND THEN EXCUSED THEMSELVES.

CAPRI

TRUSTEE **BEASLEY** ENTERED THE MEETING DURING CAPRI'S PRESENTATION.

MMA FINANCIAL/MMA FINANCIAL P-FLOAT PROGRAM/MMA RENEWABLE VENTURES FINANCING, LLC/SOLAR STAR NAFB

BY MR. BANDEMER – SUPPORTED BY MS. TALABI

WHEREAS, THE BOARD IS IN RECEIPT OF A SEPTEMBER 13, 2007 LETTER FROM MMA FINANCIAL WITH A BINDER CONSISTING OF THREE INVESTMENTS, PER THE FOLLOWING APPLICANTS WHICH INCLUDE THE ISSUANCE OF LETTERS OF CREDIT BY THE GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT:

MUNIMAE TEI HOLDINGS, LLC ("TEI") UP TO \$25,000,000.00

MUNIMAE RV FINANCIAL HOLDINGS, LLC ("RVFC")  
\$7,570,000.00

MMA RENEWABLE VENTURES SOLAR STAR NAFB FACILITY ("SOLAR STAR NAFB, LLC FACILITY") \$12,430,000.00, AND

WHEREAS, SAID BINDER CONSISTS OF APPROXIMATELY 53 PAGES OF INFORMATION, AND

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

RESOLVED, THAT THE BOARD APPROVES EACH OF THE FOREGOING INVESTMENTS AND ISSUANCES OF LETTERS OF CREDIT SUBJECT TO APPROVAL OF ALL DOCUMENTATION BY LEGAL COUNSEL, AND BE IT FURTHER

MMA FINANCIAL/MMA FINANCIAL P-FLOAT PROGRAM/MMA  
RENEWABLE VENTURES FINANCING, LLC/SOLAR STAR NAFB

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO MMA FINANCIAL, ATTENTION: MESSRS. PAUL BERNARD AND THOMAS ZDRODOWSKI AND RETIREMENT SYSTEM ACCOUNTING STAFF:

YEAS – TRUSTEES BANDEMER, BEASLEY, FREEMAN, MILTON, MOORE, PEGG, SCOTT, STEWART, TALABI AND CHAIRMAN BEST – 10

NAYS – NONE

ABSTAIN – TRUSTEE ORZECH – 1

MMA REALTY CAPITAL/MEADOWS PLACE SR. VILLAGE

BY MR. BANDEMER – SUPPORTED BY MR. SCOTT

WHEREAS, MMA REALTY CAPITAL HAS PRESENTED THE BOARD WITH AN AUGUST 23, 2007 COMMUNICATION WHEREIN MMA REALTY CAPITAL REQUESTS THAT THE BOARD ACCEPT AND APPROVE THE RECOMMENDATION WHICH IS REFERENCED BELOW RELATIVE TO MEADOWS PLACE SENIOR VILLAGE, AND

WHEREAS, THE BOARD HAS DISCUSSED SAID RECOMMENDATION, THEREFORE BE IT

RESOLVED, THAT THE BOARD ACCEPTS AND APPROVES SAID RECOMMENDATION:

MMA REALTY CAPITAL/MEADOWS PLACE SR. VILLAGE

RECOMMENDATION:

APPROVE A PARTIAL WAIVER OF THE CONSTRUCTION  
LOAN EXTENSION FEES AND LATE FEES ATTRIBUTABLE TO  
MEADOWS PLACE SENIOR VILLAGE

YEAS – TRUSTEES BANDEMER, BEASLEY, FREEMAN, MILTON,  
MOORE, ORZECH, PEGG, SCOTT, STEWART, TALABI  
AND CHAIRMAN BEST – 11

NAYS – NONE

RDD INVESTMENT CORPORATION/CLOSED SESSION

BY MR. BANDEMER – SUPPORTED BY MR. MOORE

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, FREEMAN, MILTON,  
MOORE, ORZECH, PEGG, SCOTT, STEWART, TALABI  
AND CHAIRMAN BEST – 11

NAYS – NONE

The Board entered into Closed Session at **1:57 P.M.**

OPEN SESSION

BY MR. BANDEMER – SUPPORTED BY MR. MILTON

OPEN SESSION

Resolved, That the Board return to Open Session:

A Roll Call Vote was taken as follows:

YEAS – TRUSTEES BANDEMER, BEASLEY, FREEMAN, MILTON,  
MOORE, ORZECH, PEGG, SCOTT, STEWART, TALABI  
AND CHAIRMAN BEST – 11

NAYS – NONE

The Board returned to Open Session at **2:00 P.M.**

DIRECT DEPOSIT

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

WHEREAS, FOR A NUMBER OF YEARS, THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT HAS OPERATED WITH A POLICY OF DOING DIRECT DEPOSIT OF MONTHLY PENSION PAYMENTS FOR THOSE RETIREES WHO ELECTED WIRE TRANSFER DEPOSITS FOR THEIR RETIREMENT CHECKS, AND

WHEREAS, THE BOARD'S POLICY HAS BEEN TO DEPOSIT THE PENSION FUNDS ON THE FIRST BUSINESS DAY **AFTER** THE FIRST OF THE MONTH WHEN THE FIRST OF THE MONTH OCCURS ON A WEEKEND OR ON A HOLIDAY, AND

WHEREAS, THE BOARD IS AWARE THAT OTHER PENSION SYSTEMS, INCLUDING THE SOCIAL SECURITY ADMINISTRATION AND THE VETERANS' ADMINISTRATION, DIRECTLY DEPOSIT MONTHLY PENSIONS THE DAY **BEFORE** THE DUE DATE WHEN THE DUE DATE OCCURS ON A WEEKEND OR ON A HOLIDAY, AND

DIRECT DEPOSIT

WHEREAS, THE BOARD IS ALSO AWARE THAT THE CITY OF DETROIT PAYS EMPLOYEES SALARIES AND WAGES A DAY BEFORE THE NORMAL PAYDAY WHEN THE NORMAL PAYDAY OCCURS ON A HOLIDAY, AND

WHEREAS, THE POLICY OF PAYING AFTER THE DUE DATE HAS CAUSED CONFUSION AND ILL WILL FOR SOME RETIREES AS WITNESSED BY THE LARGE NUMBER OF COMPLAINTS RECEIVED BY THE OFFICE OF THE RETIREMENT SYSTEMS AND DETROIT RETIRED CITY EMPLOYEES' ASSOCIATION EACH TIME A LATE WIRE TRANSFER OCCURS, AND

WHEREAS, THE BOARD NOTES THAT THE LOST INTEREST ON FUNDS WOULD BE A DE MINIMUS AMOUNT, THEREFORE BE IT

RESOLVED, THAT THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT CHANGE ITS POLICY TO PROVIDE THAT WHEN THE FIRST OF THE MONTH OCCURS ON A WEEKEND OR ON A HOLIDAY, DIRECT DEPOSITS BE MADE ON THE LAST BUSINESS DAY BEFORE THE NORMAL DUE DATE OF THE FIRST OF THE MONTH, AND BE IT FURTHER

RESOLVED, THAT STAFF BE DIRECTED TO NOTIFY **ALL** FINANCIAL INSTITUTIONS, RETIREES (PER NEWSLETTER), ETC., AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE IMMEDIATELY FORWARDED TO RETIREMENT SYSTEM STAFF:

YEAS – TRUSTEES BANDEMER, BEASLEY, FREEMAN, MILTON, MOORE, ORZECH, PEGG, SCOTT, STEWART, TALABI AND CHAIRMAN BEST – 11

NAYS – NONE

TRUSTEE **FREEMAN** EXCUSED HERSELF FOR THE REMAINDER OF THE MEETING.

KELLEY CAWTHORNE

BY MR. PEGG – SUPPORTED BY MR. ORZECH

**WHEREAS**, the Board of Trustees of the Police and Fire Retirement System of the City of Detroit (the Board) engaged Kelley Cawthorne as its government relations firm in relation to the Board's efforts to effectuate the transfer of the EDS permits to Environmental GEO Technologies, LLC (EGT) for the period June 15, 2007 – September 15, 2007 evidenced by the Retainer Agreement dated June 15, 2007 by and between Kelley Cawthorne and the Board (the Retainer Agreement), and

**WHEREAS**, the Board desires to continue the engagement of Kelley Cawthorne for a period of thirty (30) days, subject to certain terms and conditions, and

**WHEREAS**, the Board has considered this matter in open session, and **THEREFORE BE IT**

**RESOLVED**, that the Board hereby approves the extension of the engagement of Kelley Cawthorne, for a period of thirty (30) days from September 15, 2007 – October 15, 2007, subject to Kelley Cawthorne agreeing to:

- (i) a fee of Five Thousand Dollars (\$5,000.00);
- (ii) perform the scope of services set forth in the Retainer Agreement, in addition to item (iii) below;
- (iii) work in conjunction with the Board's special counsels and Broydrick & Associates (B&A), the EGT lobbyist firm, which shall include, but is not limited to, by way of

KELLEY CAWTHORNE

example only, (A) providing comments regarding pleadings and administrative documentation related to the interests of the Board or the Board's designees, RDD Investment Corp, and/or RDD Operations, LLC, relative to the EPA and MDEQ licenses and permits for the RDD Romulus deep well disposal facility, and (B) participating in strategy conferences with B&A and/or the Board's special counsels, and be it further

**RESOLVED**, that a copy of this resolution be forwarded to Kelley Cawthorne and the Transition Team:

Yeas – Trustees Moore, Orzech, Pegg, Scott, Talabi and Chairman Best – 6

Nays – Trustees Bandemer, Beasley, Milton and Stewart – 4

PARADIGM

BY MR. MILTON – SUPPORTED BY MR. STEWART

**Whereas**, The Board has been presented with an investment proposal from Paradigm, and

**Whereas**, The Board desires due diligence on said proposal, Therefore Be It

**Resolved**, That subject to Paradigm agreeing to pay the costs for said due diligence and said funds being escrowed by Paradigm with the Retirement System, North Point Advisors be engaged to perform due diligence on said proposal and submit their findings (in writing) to the Board, and be it further

PARADIGM

**Resolved**, That the Executive Secretary/Assistant Executive Secretary arrange for the coordination of the foregoing with all applicable parties, and be it further

**Resolved**, That after receiving a due diligence report, the Board will decide whether it has any continued interest in the proposal, and be it further

**Resolved**, That a copy of this resolution be forwarded to Paradigm and North Point Advisors:

YEAS – TRUSTEES BANDEMER, BEASLEY, MILTON, MOORE,  
ORZECH, PEGG, SCOTT, STEWART, TALABI AND  
CHAIRMAN BEST – 10

NAYS – NONE

BLACK EAGLE

BY MR. MILTON – SUPPORTED BY MR. STEWART

**Whereas**, The Board has been presented with an investment proposal from Black Eagle, and

**Whereas**, The Board desires due diligence on said proposal, Therefore Be It

**Resolved**, That subject to Black Eagle agreeing to pay the costs for said due diligence and said funds being escrowed by Black Eagle with the Retirement System, North Point Advisors be engaged to perform due diligence on said proposal and submit their findings (in writing) to the Board, and be it further

BLACK EAGLE

**Resolved**, That the Executive Secretary/Assistant Executive Secretary arrange for the coordination of the foregoing with all applicable parties, and be it further

**Resolved**, That after receiving a due diligence report, the Board will decide whether it has any continued interest in the proposal, and be it further

**Resolved**, That a copy of this resolution be forwarded to Black Eagle and North Point Advisors:

YEAS – TRUSTEES BANDEMER, BEASLEY, MILTON, MOORE,  
ORZECH, PEGG, SCOTT, STEWART, TALABI AND  
CHAIRMAN BEST – 10

NAYS – NONE

TRANS INDUSTRIES CAPITAL

BY MR. MILTON – SUPPORTED BY MR. STEWART

**Whereas**, The Board has been presented with an investment proposal from Trans Industries Capital, and

**Whereas**, The Board desires due diligence on said proposal, Therefore Be It

**Resolved**, That subject to Trans Industries Capital agreeing to pay the costs for said due diligence and said funds being escrowed by Trans Industries Capital with the Retirement System, North Point Advisors be engaged to perform due diligence on said proposal and submit their findings (in writing) to the Board, and be it further

TRANS INDUSTRIES CAPITAL

**Resolved**, That the Executive Secretary/Assistant Executive Secretary arrange for the coordination of the foregoing with all applicable parties, and be it further

**Resolved**, That after receiving a due diligence report, the Board will decide whether it has any continued interest in the proposal, and be it further

**Resolved**, That a copy of this resolution be forwarded to Trans Industries Capital and North Point Advisors:

YEAS – TRUSTEES BANDEMER, BEASLEY, MILTON, MOORE,  
ORZECH, PEGG, SCOTT, STEWART, TALABI AND  
CHAIRMAN BEST – 10

NAYS – NONE

LOOP CAPITAL

BY MR. MILTON – SUPPORTED BY MR. STEWART

**Whereas**, The Board has been presented with an investment proposal from Loop Capital, and

**Whereas**, The Board desires due diligence on said proposal, Therefore Be It

**Resolved**, That subject to Loop Capital agreeing to pay the costs for said due diligence and said funds being escrowed by Loop Capital with the Retirement System, North Point Advisors be engaged to perform due diligence on said proposal and submit their findings (in writing) to the Board, and be it further

LOOP CAPITAL

**Resolved**, That the Executive Secretary/Assistant Executive Secretary arrange for the coordination of the foregoing with all applicable parties, and be it further

**Resolved**, That after receiving a due diligence report, the Board will decide whether it has any continued interest in the proposal, and be it further

**Resolved**, That a copy of this resolution be forwarded to Trans Loop Capital and North Point Advisors:

YEAS – TRUSTEES BANDEMER, BEASLEY, MILTON, MOORE,  
ORZECH, PEGG, SCOTT, STEWART, TALABI AND  
CHAIRMAN BEST – 10

NAYS – NONE

PUBLIC FORUM

AT **2:37 P.M.**, CHAIRMAN BEST 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 BEST ADJOURNED THE MEETING AT **2:45 P.M.** UNTIL THURSDAY, **SEPTEMBER 20, 2007**, AT **9:00 A.M.**, IN ROOM 910 OF THE COLEMAN A. YOUNG MUNICIPAL CENTER, DETROIT, MICHIGAN 48226.

RESPECTFULLY SUBMITTED,

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CYNTHIA A. THOMAS  
ASSISTANT EXECUTIVE SECRETARY