

MEETING NUMBER 2654

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



PROCEEDINGS HELD THURSDAY, NOVEMBER 15, 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
Seth Doyle	Ex/Officio Trustee
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
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
Richard Huddleston	Investment Analyst

EXCUSED

None

ABSENT

None

## **CHAIRPERSON**

**Gregory Best**

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

### **CLOSED SESSION**

**BY MR. ORZECH – SUPPORTED BY MR. PEGG**

WHEREAS, The Board's Medical Director is now before the Board of Trustees of the Police and Fire Retirement System of the City of Detroit to discuss the medical and psychiatric reports of the individuals whose names are designated below and on the pages which follow relative to disability retirement applications and re-examinations, and

WHEREAS, The Michigan Open Meetings Act provides for Closed Sessions in certain circumstances, including the foregoing matter, and

WHEREAS, The Board has discussed this matter consistent with the Michigan Open Meetings Act, Therefore be it

RESOLVED, That the Board enter into Closed Session consistent with the Michigan Open Meetings Act:

A Roll Call vote was taken as follows:

Yeas – Trustees Freeman, Moore, Orzech, Pegg and Chairman Best – 5

Nays – None

CLOSED SESSION

The Board entered into Closed Session at 9:05 A.M.

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, Doyle, Freeman, Milton, Moore,  
Orzech, Pegg, Stewart and Chairman Best – 9

Nays – None

The Board returned to Open Session at 9:32 A.M. and Medical Director Reginald O’Neal was excused for the remainder of the Meeting.

DISABILITY RETIREMENT APPLICATION

NAME, TITLE, DEPARTMENT	<b>KURTIS STAPLES</b> – OFFICER – POLICE DEPARTMENT
DISABILITY, PLAN	DUTY - NEW
INJURIES	POST TRAUMATIC STRESS DISORDER
DOCTOR’S RECOMMENDATION	NOT DISABLED
BOARD ACTION	DENY AND INFORM OF RIGHT TO APPEAL SAID DENIAL

RE-EXAMINATIONS

NAME DEPARTMENT DISABILITY TYPE RE-EXAM NUMBER	CONTINUE ON DISABILITY RETIREMENT PAYROLLS WITH NEXT EXAM IN ONE (1) YEAR	NO FURTHER EXAMS REQUIRED	MUST RECEIVE NEXT EXAM IN DETROIT, MICHIGAN
CRAIG <b>BROWN</b> – FIRE – DUTY – 1	X		
MARTICE <b>CRAWFORD</b> – FIRE – DUTY - 2	X		
MYRON <b>FORTUNE</b> – FIRE – DUTY - 3	X		
DARYEL <b>GRAVES</b> – FIRE – DUTY - 5	X	X	
CARL <b>HOLLIER</b> – FIRE – DUTY - 5	X	X	
ALEDA <b>MCNEIL</b> – POLICE – DUTY - 4	X	X	
THOMAS <b>ROBINSON</b> – FIRE – DUTY - 5	X		
ANTONIO <b>TRAMBLE</b> – FIRE – DUTY - 1	X		
DEVON <b>WHITE</b> – FIRE – DUTY - 6	X	X	
WAYNE <b>COLLINS</b> – FIRE – DUTY - 3	APPROVE REQUEST TO RETURN TO WORK		

TRUSTEE DOYLE ENTERED THE MEETING.

KURTIS STAPLES

BY MS. FREEMAN – SUPPORTED BY MR. DOYLE

RESOLVED, THAT THE BOARD ACCEPT THE REPORT AND RECOMMENDATION OF ITS MEDICAL DIRECTOR REGARDING KURTIS STAPLES, AND BE IT FURTHER

RESOLVED, THAT BASED UPON THE BOARD'S MEDICAL DIRECTOR'S RECOMMENDATION, MR. STAPLES' APPLICATION FOR DUTY DISABILITY RETIREMENT BE HEREBY DENIED, AND BE IT FURTHER

RESOLVED, THAT MR. STAPLES BE APPRISED OF HIS RIGHT TO APPEAL SAID DENIAL PURSUANT TO PROCEDURES ESTABLISHED BY COLLECTIVE BARGAINING:

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

BY MR. PEGG – SUPPORTED BY MR. MOORE

RESOLVED, THAT THE FOREGOING MOTION BE TABLED:

A ROLL CALL VOTE WAS TAKEN AS FOLLOWS:

Yeas – Trustees Moore, Orzech, Pegg and Chairman Best - 4

Nays – Trustees Doyle and Freeman – 2

TRUSTEES MILTON, STEWART AND BANDEMER JOINED THE MEETING.

SPECIAL COUNSEL JOE TURNER ENTERED THE MEETING.

TRUSTEE ORZECH TEMPORARILY EXCUSED HIMSELF AND THEN RE-JOINED THE MEETING.

RE-EXAMINATIONS

BY MS. FREEMAN – SUPPORTED BY MR. BANDEMER

RESOLVED, THAT IN ACCORDANCE WITH THE RECOMMENDATION OF THE BOARD'S MEDICAL DIRECTOR, WITH THE EXCEPTION OF WAYNE COLLINS, THE RETIRANTS WHOSE NAMES ARE REFERENCED ON PAGE 4 BE CONTINUED ON THE DISABILITY RETIREMENT PAYROLLS, WITH NO FURTHER EXAMS BEING NECESSARY FOR DARYEL GRAVES, CARL HOLLIER, ALEDA MCNEIL AND DEVON WHITE, AND BE IT FURTHER

RESOLVED, THAT IN ACCORDANCE WITH THE RECOMMENDATION OF THE BOARD'S MEDICAL DIRECTOR, WAYNE COLLINS (PAGE 4) BE RETURNED TO WORK AND HIS NAME BE REMOVED FROM THE RETIREMENT PAYROLLS AS OF THE DATE HE RETURNS TO WORK:

Yeas – Trustees Bandemer, Doyle, Freeman, Milton, Moore, Orzech, Pegg, Stewart and Chairman Best – 9

Nays – None

KURTIS STAPLES

BY MS. FREEMAN – SUPPORTED BY MR. DOYLE

RESOLVED, THAT THE BOARD'S MOTION REGARDING KURTIS STAPLES, WHICH WAS TABLED THIS DATE, BE REMOVED FROM

KURTIS STAPLES

THE TABLE:

A ROLL CALL VOTE WAS TAKEN AS FOLLOWS:

Yeas – Trustees Bandemer, Doyle, Freeman, Milton, Moore,  
Orzech, Pegg, Stewart and Chairman Best – 9

Nays – None

FOLLOWING IS THE BOARD'S MOTION OF THIS DATE REGARDING  
MR. STAPLES:

KURTIS STAPLES

BY MS. FREEMAN – SUPPORTED BY MR. DOYLE

RESOLVED, THAT THE BOARD ACCEPT THE REPORT AND  
RECOMMENDATION OF ITS MEDICAL DIRECTOR REGARDING  
KURTIS STAPLES, AND BE IT FURTHER

RESOLVED, THAT BASED UPON THE BOARD'S MEDICAL  
DIRECTOR'S RECOMMENDATION, MR. STAPLES' APPLICATION  
FOR DUTY DISABILITY RETIREMENT BE HEREBY DENIED, AND BE IT  
FURTHER

RESOLVED, THAT MR. STAPLES BE APPRISED OF HIS RIGHT TO  
APPEAL SAID DENIAL PURSUANT TO PROCEDURES ESTABLISHED  
BY COLLECTIVE BARGAINING:

Yeas – Trustees Bandemer, Doyle, Freeman, Milton, Moore,  
Orzech, Pegg, Stewart and Chairman Best – 9

Nays – None

ENERGY INVESTORS FUNDS

BY MR. ORZECH – SUPPORTED BY MR. BANDEMER

Whereas, The Board has been presented with an October 30, 2007 communication from Energy Investors Funds wherein Energy Investors Funds requests that the Board fund its portion of the capital call due for the USPF III Leveraged Feeder Fund, L.P., USPF Blocker Fund II, L.P. and USPF Blocker Fund III, L.P. in the amount of \$1,546,222.00, 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, Doyle, Freeman, Milton, Moore, Orzech, Pegg, Stewart and Chairman Best – 9

Nays – None

INSIGHT 2811 TECHNOLOGY

BY MR. ORZECH – SUPPORTED BY MR. BANDEMER

Whereas, The Board has been presented with a November 2, 2007 communication from Insight 2811 Technology wherein Insight 2811 Technology requests that the Board fund its portion of the capital call due for Insight 2811 Technology GP, LLC in the amount of \$1,500,000.00, Therefore Be It

INSIGHT 2811 TECHNOLOGY

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

Yeas – Trustees Bandemer, Doyle, Freeman, Milton, Moore, Orzech, Pegg, Stewart and Chairman Best – 9

Nays – None

MANN 1100

BY MR. ORZECH – SUPPORTED BY MR. BANDEMER

Whereas, The Board has been presented with a November 1, 2007 communication from MANN 1100 wherein MANN 1100 requests that the Board fund its portion of the capital call due for MANN 1100 GP, LLC in the amount of \$7,600,000.00, 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, Doyle, Freeman, Milton, Moore, Orzech, Pegg, Stewart and Chairman Best – 9

Nays – None

RDD INVESTMENT CORPORATION

BY MR. ORZECH – SUPPORTED BY MR. BANDEMER

Whereas, The Board has been presented with a November 12, 2007 communication from RDD Investment Corporation wherein RDD Investment Corporation requests that the Board fund Draw 12 for RDD Investment Corporation in the amount of \$126,000.00, 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, Doyle, Freeman, Milton, Moore, Orzech, Pegg, Stewart and Chairman Best – 9

Nays – None

TOUCHSTONE

BY MR. ORZECH – SUPPORTED BY MR. BANDEMER

Whereas, The Board has been presented with a November 7, 2007 communication from Touchstone wherein Touchstone requests that the Board fund its portion of the capital call due for Touchstone Opportunity Fund III-AIV I, LLC in the amount of \$545,769.23, Therefore Be It

TOUCHSTONE

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

Yeas – Trustees Bandemer, Doyle, Freeman, Milton, Moore, Orzech, Pegg, Stewart and Chairman Best – 9

Nays – None

RETIREMENTS

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

RESOLVED, THAT THE RETIREMENT APPLICATIONS WHICH ARE REFERENCED BELOW AND ON THE PAGE WHICH FOLLOWS BE APPROVED:

Yeas – Trustees Bandemer, Doyle, Freeman, Milton, Moore, Orzech, Pegg, Stewart and Chairman Best – 9

Nays – None

RETIREMENTS

NAME, TITLE, DEPARTMENT	ERIC BROOKS - FIRE RESEARCH AND DEVELOPMENT ASSISTANT/LIEUTENANT - FIRE DEPARTMENT
RETIREMENT, PLAN	SERVICE - NEW
SERVICE CREDIT, EFFECTIVE DATE	26 02 29 - 10 01 07

NAME, TITLE, DEPARTMENT	WALTER LONG, JR. - POLICE INSPECTOR - POLICE <del>COMMAND OFFICERS ASSOCIATION</del> - POLICE DEPARTMENT
RETIREMENT, PLAN	SERVICE - NEW
SERVICE CREDIT, EFFECTIVE DATE	32 05 15 - 10 31 07

RETIREMENTS

NAME, TITLE, DEPARTMENT RETIREMENT, PLAN SERVICE CREDIT, EFFECTIVE DATE	DEREK WOLFE – OFFICER – POLICE DEPARTMENT SERVICE - NEW 21 05 13 – 10 27 07
NAME, TITLE, DEPARTMENT RETIREMENT, PLAN SERVICE CREDIT, EFFECTIVE DATE	ADELAY MATIAS – SERGEANT – POLICE DEPARTMENT DUTY DISABILITY RETIREMENT CONVERSION - NEW 25 00 00 – 10 22 07
NAME, TITLE, DEPARTMENT RETIREMENT, PLAN SERVICE CREDIT, EFFECTIVE DATE	RAYMOND MARSH – CAPTAIN – FIRE DEPARTMENT SERVICE - NEW 33 02 20 – 11 01 07
NAME, TITLE, DEPARTMENT RETIREMENT, PLAN SERVICE CREDIT, EFFECTIVE DATE	THOMAS MAPLES – OFFICER – POLICE DEPARTMENT SERVICE - NEW 32 02 23 – 08 20 07
NAME, TITLE, DEPARTMENT RETIREMENT, PLAN SERVICE CREDIT, EFFECTIVE DATE	JAMES TREADWELL – OFFICER – POLICE DEPARTMENT DUTY DISABILITY RETIREMENT CONVERSION – TYPE "35" - NEW 28 04 20 – 01 11 96
NAME, TITLE, DEPARTMENT RETIREMENT, PLAN SERVICE CREDIT, EFFECTIVE DATE	GEORGE BURKHOLDER – OFFICER – POLICE DEPARTMENT SERVICE - NEW 35 07 14 – 10 20 07

SUMMARY OF RECEIPTS

Police and Fire Retirement Systems of the City of Detroit			
Summary of Receipts			
From October 31-November 13, 2007			
Date	Received From	Explanation	Amount
	Bank of New York		
10/31/2007	RREEF America 11	Distribution, 3rd Qtr'07	279,085.04
	Capri Select income11	Distribution, 3rd Qtr'07	

			<u>SUMMARY OF RECEIPTS</u>
			156,000.00
	Class Action Remittance	NTL, Inc	51.38
11/2/20 07	General Fund	Weekly annuity, 18/08	99,182.39
11/5/20 07	MMA Financial-P Float	Credit Enhancement Annual Fee	375,000.00
11/8/20 07	Kales Building	Distribution, October'07	48,164.28
	Kennedy Square	Distribution, October'07	16,791.66
11/9/20 07	General Fund	Weekly annuity, 19/08	291,060.24
	Columns of Kentucky	Distribution, October'07	15,101.32
	Trellises of Kentucky	Distribution, October'07	24,910.33
11/10/2 007	Churchill Mortgage Investment , LLC	Construction Interest, October'07	8,603.35
	MMA Construction Finance LLC	Construction Interest, October'07	167,543.67
	MM Realty Capital	Construction Interest, October'07	358,939.87
	Comerica		
10/31/2 007	P.R. Investment Group	Due Diligence Fee	15,000.00
	Clyde William Hall 111	Returned Refund List #3258	28,000.00
		TOTAL RECEIPTS	1,448,348.49

SUMMARY OF DISBURSEMENTS

Police and Fire Retirement Systems of the City of Detroit			
Summary of Disbursements			
From October 31-Nov 13, 2007			
Date	Wired To	Explanation	Amount
11/1/20 07	First Independence	Retired Payroll-October, checks	\$3,083,387.32
11/2/20 07	General Fund	Checkwrite-Administrative Expense	7,131.42
	General Retirement System	Reimbursement for ADP	58.97
	General Retirement System	Reimbursement for Millenium Business System	990.00
	Milestone Realty	Advisory Fee	15,000.00
	U.S. Real Estate Investment	Full Funding	15,000,000.00
	Contractual Programmers	October, 2007 fee	57,157.28
11/5/20 07	HGK Asset Management	Management Fee, 3rd Qtr'07	5,717.97
	Blackrock Investment Management	Management Fee, 3rd Qtr'07	18,175.00
	Northpointe Capital, LLC	Management Fee, 3rd Qtr'07	135,835.10
	Plante & Moran	Audit Fee FY 06-07	6,100.00
	Reginald O'Neal	Medical Fees	3,360.00
	Neopost, Inc.	Postage	5,000.00
11/6/20 07	First Independence	Refund List #3259	1,053,945.68
	Dimensional Fund Advisors	Management Fee, 3rd Qtr'07	170,213.68
	Kennedy Capital Management	Management Fee, 3rd Qtr'07	584,074.00
	Earnest Partners, LLC	Management Fee, 3rd Qtr'07	67,473.72
11/7/20 07	Neal & FM 548-1076 (Mann 1100)	Capital Call	7,600,000.00
	Oppenheimer	Management Fee, 3rd Qtr'07	187,473.66
	TCW Asset Management	Management Fee, 3rd Qtr'07	84,767.60
11/9/20 07	F.Logan Davidson	Legal Fee-DRS Holding	5,254.00
	General Fund	Checkwrite-Administrative Expense	5,699.16

		<u>SUMMARY OF DISBURSEMENTS</u>	
11/13/2007	USPF 111-Blocker Fund	Capital Call	4,638,667.00
	USPF 111-Leveraged Feeder Fund	Capital Call	1,546,222.00
	USPF 11-CV	Capital Call	2,324,902.00
		TOTAL DISBURSEMENTS	\$36,606,605.56

CONFIRMATIONS

BY MR. MOORE – SUPPORTED BY MR. DOYLE

RESOLVED, THAT THE RECEIPTS AND DISBURSEMENTS WHICH ARE OUTLINED ON PAGES 12, 13, 14 AND ABOVE BE CONFIRMED:

Yeas – Trustees Bandemer, Doyle, Freeman, Milton, Moore, Orzech, Pegg, Stewart and Chairman Best – 9

Nays – None

MINUTES OF OCTOBER 11, 2007 AND OCTOBER 18, 2007

BY MR. ORZECH – SUPPORTED BY MR. MOORE

RESOLVED, THAT THE MINUTES OF THE MEETING HELD THURSDAY, OCTOBER 11, 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, OCTOBER 18, 2007 BE APPROVED AS RECORDED AND SUBMITTED BY THE BOARD'S RECORDING SECRETARY:

MINUTES OF OCTOBER 11, 2007 AND OCTOBER 18, 2007

Yeas – Trustees Bandemer, Doyle, Freeman, Milton, Moore,  
Orzech, Pegg, Stewart and Chairman Best – 9

Nays – None

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY MR. STEWART – 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 #3260, IN THE AMOUNT OF \$1,004,635.98, INCLUDING INTEREST, BE REFUNDED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

Yeas – Trustees Bandemer, Doyle, Freeman, Milton, Moore,  
Orzech, Pegg, Stewart and Chairman Best – 9

Nays – None

BILL PAYMENT REQUESTS

BY MR. BANDEMER – SUPPORTED BY MR. MOORE

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

BILL PAYMENT REQUESTS

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

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

ADP – NOVEMBER 2, 2007 - \$219.23 – POLICE AND FIRE PORTION OF \$438.46 – SUPPLIES

ADVENT CAPITAL MANAGEMENT – OCTOBER 19, 2007 - \$84,032.91 – 2007 THIRD QUARTER FEES

BEST, GREGORY – NOVEMBER 15, 2007 - \$90.00 – PARKING REIMBURSEMENT

BUSINESS NEEDS – UNDATED - \$821.50 – POLICE AND FIRE PORTION OF \$1,643.00 – SUPPLIES

CHICAGO EQUITY PARTNERS – OCTOBER 18, 2007 - \$95,925.51 – 2007 THIRD QUARTER FEES

CREDIT SUISSE – OCTOBER 10, 2007 - \$33,788.92 – 2007 THIRD QUARTER FEES

DAVIDSON, F. LOGAN – OCTOBER 31, 2007 - \$2,750.00 – LEGAL FEES – PFRS AVANTI CORPORATION

DAVIDSON, F. LOGAN – OCTOBER 31, 2007 - \$2,150.00 – LEGAL FEES – PFRS ROMULUS CORPORATION

DAVIDSON, F. LOGAN – OCTOBER 31, 2007 - \$1,850.00 – LEGAL FEES – SAND LAKE CENTRE CORPORATION

DAVIDSON, F. LOGAN – OCTOBER 31, 2007 - \$1,550.00 – LEGAL FEES – RDD INVESTMENT CORPORATION

BILL PAYMENT REQUESTS

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

DELL MARKETING – OCTOBER 28, 2007 - \$840.95 – POLICE AND  
FIRE PORTION OF \$1,681.90 – SUPPLIES

EVERGREEN INVESTMENTS – NOVEMBER 2, 2007 - \$169,548.57 –  
2007 THIRD QUARTER FEES

FISHER INVESTMENTS – OCTOBER 12, 2007 - \$193,320.45 – 2007  
THIRD QUARTER FEES

GABRIEL, ROEDER, SMITH & COMPANY – NOVEMBER 5, 2007 -  
\$4,700.00 – OCTOBER, 2007 SERVICES

HOWARD & HOWARD – NOVEMBER 8, 2007 - \$1,898.44 – LEGAL  
SERVICES – GSC PARTNERS

HSBC – OCTOBER 17, 2007 - \$87,020.21 – 2007 THIRD QUARTER  
SERVICES

HSBC – OCTOBER 17, 2007 - \$19,587.03 – 2007 THIRD QUARTER  
FEES

IRON MOUNTAIN – OCTOBER 31, 2007 - \$771.82 – POLICE AND  
FIRE PORTION OF \$1,543.64 – SUPPLIES

IRON MOUNTAIN – OCTOBER 31, 2007 - \$188.69 – POLICE AND  
FIRE PORTION OF \$377.38 – SUPPLIES

LETTER PERFECT MAILINGS – NOVEMBER 9, 2007 - \$1,231.55 –  
POLICE AND FIRE PORTION OF \$2,463.09 – MAILINGS: POLICE  
AND FIRE RETIREMENT SYSTEM'S AND GENERAL RETIREMENT  
SYSTEM'S ANNUAL REPORT

BILL PAYMENT REQUESTS

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

LOOMIS, SAYLES & COMPANY – OCTOBER 10, 2007 - \$46,283.33 –  
2007 THIRD QUARTER FEES

MAYFIELD GENTRY REALTY ADVISORS, LLC – NOVEMBER 12, 2007  
- \$401,956.12 – CAPITAL IMPROVEMENTS – PFRS DUBLIN  
CORPORATION

MAYFIELD GENTRY REALTY ADVISORS, LLC – NOVEMBER 13, 2007  
- \$255,369.57 – NOVEMBER, 2007 ASSET MANAGEMENT AND  
MORTGAGE SERVICING FEES

NORTH POINT ADVISORS – NOVEMBER 12, 2007 - \$25,000.00 –  
CONSULTING SERVICES

NORTH POINT ADVISORS – NOVEMBER 12, 2007 - \$15,000.00 –  
ORLEANS ENERGY DUE DILIGENCE

NORTH POINT ADVISORS – NOVEMBER 12, 2007 - \$12,500.00 –  
CONSULTING SERVICES

NORTH POINT ADVISORS – NOVEMBER 12, 2007 - \$12,000.00 –  
ROBECO DUE DILIGENCE

OFFICE DEPOT – OCTOBER 29, 2007 -\$247.43 – POLICE AND FIRE  
PORTION OF \$494.85 – SUPPLIES

PRUDENTIAL FINANCIAL – OCTOBER 24, 2007 - \$10,132.25 – 2007  
THIRD QUARTER FEES

PUGH CAPITAL MANAGEMENT – OCTOBER 15, 2007 - \$39,812.15  
– 2007 THIRD QUARTER FEES

BILL PAYMENT REQUESTS

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

SCM ADVISORS – NOVEMBER 7, 2007 - \$48,430.80 – 2007 THIRD QUARTER FEES

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

TT INTERNATIONAL – NOVEMBER 7, 2007 - \$184,332.00 – 2007 THIRD QUARTER FEES

VERIZON WIRELESS – NOVEMBER 4, 2007 - \$1,517.33 – PHONE SERVICES

WALKER, LAWRENCE – NOVEMBER 1, 2007 - \$1,548.87 – OCTOBER, 2007 SERVICES – ODYSSEY VERSUS THE SYSTEM

WELLS FARGO – OCTOBER 17, 2007 - \$113,688.91 – 2007 THIRD QUARTER FEES

WELLS FARGO – OCTOBER 24, 2007 - \$172,818.00 – 2007 THIRD QUARTER FEES

ZAJAC, RONALD – OCTOBER 28, 2007 - \$1,8051.12 – ADJUSTMENT FOR OCTOBER 1, 2007 THROUGH OCTOBER 31, 2007

Yeas – Trustees Bandemer, Doyle, Freeman, Milton, Moore, Orzech, Pegg, Stewart and Chairman Best – 9

Nays – None

LEGAL COUNSEL'S BILLING

BY MR. BANDEMER – SUPPORTED BY MR. MOORRE

RESOLVED, THAT LEGAL COUNSEL'S BILLING DATED NOVEMBER 15, 2007, FOR THE MONTH OF NOVEMBER, 2007, IN THE AMOUNT OF \$17,218.18, BE APPROVED AND SAID AMOUNT BE PAID PURSUANT TO WIRE-TRANSFER INSTRUCTIONS ON FILE WITH THE POLICE AND FIRE RETIREMENT SYSTEM:

Yeas – Trustees Bandemer, Doyle, Freeman, Milton, Moore, Orzech, Pegg, Stewart and Chairman Best – 9

Nays – None

Finance/Retirement Petty Cash Account

By Mr. Moore – Supported by Mr. Doyle

Whereas, The present balance of the Finance/Retirement Petty Cash account is \$123.88, and

Whereas, Staff has requested that the account be replenished to its maximum amount of \$2,000.00, Therefore Be It

Resolved, That the Finance/Retirement Petty Cash account be replenished to the maximum amount of \$2,000.00, and be it further

Resolved, That the amount required to replenish the Finance/Retirement Petty Cash account to \$2,000.00, be paid accordingly:

Police and Fire Retirement System: \$1,481.59

Finance/Retirement Petty Cash Account

General Retirement System:     \$385.53, and be it further

Resolved, That a copy of this resolution be forwarded to the  
Accounting Division of the Retirement System:

Yeas – Trustees Bandemer, Doyle, Freeman, Milton, Moore,  
Orzech, Pegg, Stewart and Chairman Best – 9

Nays – None

CLARK ET AL & RETIRED POLICE & FIREFIGHTERS' ASSOCIATION ET  
AL VERSUS THE CITY OF DETROIT BOARD OF TRUSTEES ET AL  
WAYNE CIRCUIT CASE NO. 82-235598-CL

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

Resolved, That all petitions of said pre-July 1, 1983 and pre-July  
1, 1986 (as applicable) Option II and Option III retirants, whose  
beneficiaries pre-deceased the retirants, for adjustment of  
retirement benefits to a Straight Life retirement be granted  
effective the first day of the month following the date of  
application and procedures be followed otherwise identical to  
the processing and computation for adjustments made to  
divorced Option II and Option III retirants pursuant to domestic  
relations court orders:

JAMES DOW

BENEFICIARY DECEASED:   OCTOBER 21, 2007

APPLICATION FILED:       OCTOBER 27, 2007

CLARK ET AL & RETIRED POLICE & FIREFIGHTERS' ASSOCIATION ET AL VERSUS THE CITY OF DETROIT BOARD OF TRUSTEES ET AL WAYNE CIRCUIT CASE NO. 82-235598-CL

Yeas – Trustees Bandemer, Doyle, Freeman, Milton, Moore, Orzech, Pegg, Stewart and Chairman Best – 9

Nays – None

LEGAL COUNSEL'S REPORTS

LEGAL COUNSEL RONALD ZAJAC DISCUSSED VARIOUS MATTERS WITH THE BOARD, INCLUDING MAYFIELD GENTRY'S GENESIS FUND.

Re: Contribution of Properties to, and \$25,000,000.00  
Investment in, MGRA Genesis Value REIT Inc.

By Mr. Doyle – Supported by Mr. Bandemer

**WHEREAS**, The Board has previously indicated its intent to: (i) contribute the real property owned by PFRS Tryon Square Corp., PFRS South Tryon Corp., PFRS Yamato Corp. and PFRS Glenwood Plaza Corp. to, and (ii) make a \$25,000,000 investment in MGRA Genesis Value REIT Inc., and

**WHEREAS**, The Board has been requested to execute (i) a Subscription Agreement, (ii) an Investor Questionnaire, (iii) a Trust Certificate, and (iv) an Investor Acknowledgment, dated November 15, 2007, relative to the aforesaid transaction, and

**WHEREAS**, The execution of said documents has been recommended by the Board's special legal counsel, F. Logan Davidson, P.C., and

Re: Contribution of Properties to, and \$25,000,000.00  
Investment in, MGRA Genesis Value REIT Inc.

**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 authorized signatories on behalf of the Board:

Yeas – Trustees Bandemer, Doyle, Freeman, Milton, Moore, Pegg, Stewart and Chairman Best – 8

Nays – Trustee Orzech – 1

Re: PFRS TRYON SQUARE CORP.

The Board of Trustees has been made aware of the execution of the following documents dated November 15, 2007 by an officer of the corporation:

A. For the Corporation:

1. Certificate of Dissolution,
2. Limited Power of Attorney Authorization for Disclosure of Information for Tax Clearance Purposes Only,
3. Tax Clearance Request,
4. Application for Certificate of Withdrawal,

B. For the Property Located at 200 South Tryon, Charlotte, North Carolina:

5. Loan Assumption Agreement,
6. Special Warranty Deed,
7. Bill of Sale,

B. For the Property Located at 200 South Tryon, Charlotte, North Carolina:

8. Notice to Tenants,
9. Assignment of Contracts, Permits, Guarantees and Warranties,
10. Gap Indemnity
11. Survey Affidavit
12. Affidavit/Agreement re: No Liens
13. Non-foreign Person Affidavit
14. Assignment and Assumption of Management Agreement,
15. Assignment and Assumption of Space Leases,
16. Substitution of Indemnitor,
17. Incumbency Certificate,
18. Secretary's Certificate,
19. Closing Certificate,
20. Settlement Statement

TRUSTEE BEASLEY ENTERED THE MEETING.

MILLER & JACOBS COLLATERALIZED LOAN OBLIGATIONS

BY MR. DOYLE – SUPPORTED BY MR. BANDEMER

**WHEREAS**, the Board of Trustees of the Police and Fire Retirement System of the City of Detroit (the “Board”) invested in the collateralized loan obligations (CLO) structure managed by Miller and Jacobs (the Manager), and

**WHEREAS**, on or about September 20, 2007, the Board approved an extension to the warehousing period due, in relevant part, to the volatility of the credit and equity markets over the prior six month period which (i) caused the value of the warehouse loan portfolio to substantially decrease and subjected the loan portfolio to a liquidation as permitted by the warehousing agreement as threatened by Union Bank of

MILLER & JACOBS COLLATERALIZED LOAN OBLIGATIONS

Switzerland (UBS), the warehouse lender, and (ii) would have ultimately caused the Board an estimated \$8,000,000 loss, and

**WHEREAS**, the Manager evaluated several substitute warehouse lender options, and

**WHEREAS**, the Board is in receipt of a letter dated November 9, 2007 from Ms. Tammy Dalton, the Managing Director of the Manager, recommending a revised UBS structure, including, but not limited to, accepting UBS's request to bring in Avenue Capital Management as the Collateral Manager for the CLO transaction and revising the Manager's role to that of an Equity Advisor, and

**WHEREAS**, Adrian Anderson of North Point Advisors (the "Board's Advisor") submitted to the Board a due diligence letter dated November 12, 2007 recommending the Board approve the new structure and Avenue Capital as the Collateral Manager for the CLO transaction, and

**WHEREAS**, the Board's General Counsel and Joe Turner of Clark Hill PLC ("Special Counsel") have provided a legal review which is acceptable to the Board and the documentation is subject to the review and approval of Special Counsel and General Counsel, and

**WHEREAS**, on this date, the Board's Advisor appeared before the Board to advise the Board on this matter, and

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

MILLER & JACOBS COLLATERALIZED LOAN OBLIGATIONS

**RESOLVED**, that the Board approves the new structure of the CLO transaction (inclusive of authorizing the engaging Avenue Capital Management as the Collateral Manager and Miller & Jacobs as the Equity Adviser) as set forth in the Manager's November 9, 2007 letter and as recommended by the Board's Advisor, and be it further

**RESOLVED**, that the Board hereby approves the signing of the CLO documentation evidencing the new structure and engagements as noted above (the Transaction Documents), subject to the review and approval by General Counsel and Special Counsel. The Transaction Documents include but are not limited to:

Amended Equity Commitment Letter;  
Amended Restated Risk Sharing Agreement; and  
Amended and Restated Escrow Agreement, and be  
it further

**RESOLVED**, that the Board authorizes its signatories, two (2) authorized signatories, to execute, and deliver the Transaction Documents and any documentation required by the Board's General Counsel and Special Counsel to memorialize the new structure and engagements as noted above, and be it further

**RESOLVED**, that a copy of this resolution be forwarded to the Manager (Miller and Jacobs), the Board's Advisor (North Point Advisors) and the Board's Special Legal Counsel (Clark Hill):

Yeas – Trustees Bandemer, Beasley, Doyle, Freeman, Milton,  
Moore, Orzech, Pegg, Stewart and Chairman  
Best – 10

Nays – None

KISH VERSUS KISH – LIVINGSTON COUNTY CIRCUIT COURT CASE  
NUMBER 06-3362-DO

BY MR. DOYLE – SUPPORTED BY MR. BANDEMER

WHEREAS, MICHAEL KISH HAS PRESENTED THE BOARD WITH A SEPTEMBER 7, 2007 REQUEST TO HAVE HIS OPTION 3 WITH POP-UP RETIREMENT CHANGED TO A STRAIGHT LIFE RETIREMENT BASED UPON A COURT ORDER TERMINATING THE RIGHTS OF THE OPTION BENEFICIARY, AND

WHEREAS, THE BOARD IS IN RECEIPT OF AN AUGUST 23, 2007 COURT ORDER WHICH HAS BEEN REVIEWED BY THE BOARD'S LEGAL COUNSEL WHO HAS CONCLUDED THAT THE COURT ORDER TERMINATES THE RIGHTS OF THE OPTION BENEFICIARY, THEREFORE BE IT

RESOLVED, THAT CONSISTENT WITH LONG-STANDING POLICIES AND PRACTICES OF THE BOARD, PETITIONER'S REQUEST BE GRANTED AND, EFFECTIVE OCTOBER 1, 2007, PETITIONER'S RETIREMENT BENEFITS BE ADJUSTED FROM AN OPTION 3 WITH POP-UP RETIREMENT TO A STRAIGHT LIFE RETIREMENT, AND BE IT FURTHER

RESOLVED, THAT THE BOARD'S ACTUARY BE INFORMED OF THE BOARD'S ACTION OF THIS DATE, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO MICHAEL KISH, ATTORNEY SAMUEL RAGNONE AND ATTORNEY MARC HALLOWELL:

YEAS – TRUSTEES BANDEMER, BEASLEY, DOYLE, FREEMAN,  
MILTON, MOORE, ORZECH, PEGG, STEWART AND CHAIR-  
MAN BEST – 10

NAYS – NONE

DIXON VERSUS DIXON – WAYNE COUNTY CASE NUMBER 05-525913-DM

BY MR. DOYLE – SUPPORTED BY MR. BANDEMER

WHEREAS, THE BOARD IS IN RECEIPT OF A SEPTEMBER 25, 2007 ELIGIBLE DOMESTIC RELATIONS ORDER WHICH AMENDS/SUPPLEMENTS A JUDGMENT OF DIVORCE WHEREIN SUSAN DIXON IS AWARDED CERTAIN RIGHTS TO THE DEFINED BENEFIT PLAN AND DEFINED CONTRIBUTION PLAN BENEFITS OF DEXTER DIXON WHO IS CURRENTLY AN ACTIVE EMPLOYEE; AND WHEREAS PARTICIPANT'S DATE OF BIRTH IS AUGUST 8, 1961 AND, TO DATE, PARTICIPANT HAS ATTAINED 20 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 THE 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

DIXON VERSUS DIXON – WAYNE COUNTY CASE NUMBER 05-525913-DM

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 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 SUSAN DIXON, DEXTER

DIXON VERSUS DIXON – WAYNE COUNTY CASE NUMBER 05-525913-DM

DIXON, ATTORNEY CAROLYN MARKOWITZ AND ATTORNEY MARIE HARPER:

YEAS – TRUSTEES BANDEMER, BEASLEY, DOYLE, FREEMAN, MILTON, MOORE, ORZECH, PEGG, STEWART AND CHAIRMAN BEST – 10

NAYS – NONE

TRUSTEE TALABI ENTERED THE MEETING.

TT INTERNATIONAL

DAVID BALLON APPEARED BEFORE THE BOARD, DISCUSSED ASIAN TEAM CHANGES AND PERFORMANCE AND THEN EXCUSED HIMSELF.

CAM-RIM

LARRY SMITH AND AN ASSOCIATE APPEARED BEFORE THE BOARD, DISCUSSED A RESORT DEVELOPMENT PROPOSAL (IN COSTA RICO) AND THEN EXCUSED THEMSELVES.

CREDIT SUISSE

THOMAS FLANNERY AND MIGO TERJANIAN APPEARED BEFORE THE BOARD, DISCUSSED LEVERAGED INVESTING AND PERFORMANCE AND THEN EXCUSED THEMSELVES.

MILESTONE

MARTY WEST, DAVE BING, RONALD J. STEMPIN, AND ED TINSLEY APPEARED BEFORE THE BOARD, DISCUSSED THE WATERMARK AND THEN EXCUSED THEMSELVES.

TRUSTEE MOORE TEMPORARILY EXCUSED HIMSELF.

RDD INVESTMENT CORPORATION/CLOSED SESSION

BY MS. FREEMAN – SUPPORTED BY MR. ORZECH

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, DOYLE, FREEMAN, MILTON, ORZECH, PEGG, STEWART, TALABI AND CHAIRMAN BEST – 10

NAYS – NONE

The Board entered into Closed Session at 1:15 P.M.

TRUSTEE MOORE RE-JOINED THE MEETING DURING CLOSED SESSION.

OPEN SESSION

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

Resolved, That the Board return to Open Session:

OPEN SESSION

A Roll Call Vote was taken as follows:

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

NAYS – NONE

The Board returned to Open Session at 1:30 P.M.

DURING CLOSED SESSION, SPECIAL COUNSEL JOE TURNER  
PROVIDED EACH BOARD MEMBER WITH A COPY OF A 50-PAGE  
REPORT REGARDING RDD INVESTMENT CORPORATION.

TRUSTEE BEASLEY TEMPORARILY EXCUSED HIMSELF.

CHURCHILL FINANCIAL, LLC

BY MR. BANDEMER – SUPPORTED BY MR. MILTON

WHEREAS, CHURCHILL FINANCIAL, LLC HAS REQUESTED TO  
AMEND THE TRANSACTION PROCEDURES PER A NOVEMBER 7,  
2007 COMMUNICATION, AND

WHEREAS, THE BOARD HAS DISCUSSED THIS MATTER WITH  
SPECIAL LEGAL COUNSEL WHO HAS INDICATED THAT HE HAS  
NOT OBJECTION TO THE PROPOSED REVISED/AMENDED  
PROCEDURES, THEREFORE BE IT

RESOLVED, THAT SUBJECT TO APPROVAL OF ALL  
DOCUMENTATION BY GENERAL COUNSEL, THE BOARD  
APPROVES THE CHURCHILL PROPOSAL PER CHURCHILL'S  
NOVEMBER 7, 2007 COMMUNICATION, AND BE IT FURTHER

CHURCHILL FINANCIAL, LLC

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO CHURCHILL FINANCIAL, LLC, THE BOARD'S SPECIAL LEGAL COUNSEL AND THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEMS:

YEAS – TRUSTEES BANDEMER, DOYLE, FREEMAN, MILTON, MOORE, ORZECH, PEGG, STEWART, TALABI AND CHAIRMAN BEST – 10

NAYS – NONE

WATERMARK (CHENE WEST)

BY MS. FREEMAN – SUPPORTED BY MR. MILTON

WHEREAS, THE BOARD IS IN RECEIPT OF A NOVEMBER 15, 2007 REPORT FROM MILESTONE REALTY SERVICES, INC. WHICH REQUESTS THE APPROVAL OF THE FOLLOWING ITEMS:

1. REDUCTION OF ONE OF THE PROJECT'S PRINCIPAL'S OWNERSHIP FROM 50% TO 30% AND INCREASE OF THE OTHER PROJECT PRINCIPAL'S OWNERSHIP FROM 50% TO 70%
2. MODIFICATION OF PROPOSED LOAN DOCUMENTS TO MAXIMIZE INTEREST TO COMPLY WITH USURY LAWS AND INCREASE THE BASE INTEREST AS INDICATED IN SAID NOVEMBER 15, 2007 REPORT
3. MODIFICATION OF THE SCHEDULE OF FINANCING OF THE UP TO \$3,000,000.00 AS INDICATED IN SAID NOVEMBER 15, 2007 REPORT

THEREFORE BE IT

RESOLVED, THAT THE REQUESTS SET FORTH IN THE NOVEMBER 15, 2007 REPORT FROM MILESTONE ARE APPROVED, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO MILESTONE REALTY SERVICES, INC. AND SPECIAL LEGAL COUNSEL (WHO

WATERMARK (CHENE WEST)

ARE REQUESTED TO INFORM THE PROPOSED BORROWER ACCORDINGLY) AND THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEM:

YEAS – TRUSTEES BANDEMER, DOYLE, FREEMAN, MILTON, MOORE, ORZECH, PEGG, STEWART, TALABI AND CHAIRMAN BEST – 10

NAYS – NONE

TRUSTEE BEASLEY RE-JOINED THE MEETING.

GLOBAL CUSTODIAL SURVEY

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

WHEREAS, The Board is in receipt of a request from Global Custodian Magazine that the System complete Global Custodian Magazine's annual survey of plan sponsors, and

WHEREAS, The Board has discussed this request with staff on this date, therefore be it

RESOLVED, That staff be directed to complete and return the survey to Global Custodian magazine:

Yeas – Trustees Bandemer, Beasley, Doyle, Freeman, Milton, Moore, Orzech, Pegg, Stewart, Talabi and Chairman Best – 11

Nays – None

Transition of assets from Rhumblin to Wellington and Independence

At the direction of the Chair, staff is instructed to meet with North Point Advisors to discuss this matter and follow the recommendation of North Point Advisors with respect to the implementation of the transition of assets from Rhumblin to Wellington and Independence.

CROMWELL COMMUNICATIONS

BY MR. ORZECH – SUPPORTED BY MR. STEWART

RESOLVED, THAT THE SYSTEM'S CONTRACT WITH CROMWELL COMMUNICATIONS BE TERMINATED:

CHAIRMAN BEST REQUESTED THAT THE FOREGOING MOTION NOT BE VOTED UPON UNTIL THE EXECUTIVE SECRETARY PROVIDES THE BOARD WITH ADDITIONAL INFORMATION REGARDING THE PRINTING, APPROVAL AND MAILING OF THE SYSTEM'S ANNUAL REPORT.

AETOS CAPITAL

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

RESOLVED, THAT BRADLEY RUDNER AND ANY ASSOCIATES OF HIS CHOOSING BE REQUESTED TO APPEAR BEFORE THE BOARD FOR PRESENTATION PURPOSES (FUND OF HEDGE FUNDS):

Yeas – Trustees Bandemer, Beasley, Doyle, Freeman, Milton, Moore, Orzech, Pegg, Stewart, Talabi and Chairman Best – 11

Nays – None

JADDA

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

RESOLVED, THAT ERIK STAMELL AND ANY ASSOCIATES OF HIS CHOOSING BE REQUESTED TO APPEAR BEFORE THE BOARD FOR PRESENTATION PURPOSES (INSTITUTIONAL OPPORTUNITY FUND):

Yeas – Trustees Bandemer, Beasley, Doyle, Freeman, Milton, Moore, Orzech, Pegg, Stewart, Talabi and Chairman Best – 11

Nays – None

UBS

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

RESOLVED, THAT TIM SPENCE AND ANY ASSOCIATES OF HIS CHOOSING BE REQUESTED TO APPEAR BEFORE THE BOARD FOR PRESENTATION PURPOSES (BROKERAGE SERVICES):

Yeas – Trustees Bandemer, Beasley, Doyle, Freeman, Milton, Moore, Orzech, Pegg, Stewart, Talabi and Chairman Best – 11

Nays – None

CAM-RIM

BY MR. BANDEMER – SUPPORTED BY MR. MILTON

Whereas, The Board has been presented with an investment proposal from Cam-Rim, and

CAM-RIM

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

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

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 from Banyan Realty Advisors, 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 Cam-Rim and Banyan Realty Advisors:

Yeas – Trustees Bandemer, Beasley, Doyle, Freeman, Milton,  
Moore, Orzech, Pegg, Stewart, Talabi and Chairman  
Best – 11

Nays – None

CONFERENCES

BY MS. FREEMAN – SUPPORTED BY MR. BANDEMER

Resolved, That the Board approve the attendance of all Trustees, the Executive Secretary, the Assistant Executive

CONFERENCES

Secretary, General Counsel and Special Legal Counsel at the below-referenced conferences, and be it further

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

SEVENTH ANNUAL EUROPEAN EXCHANGE TRADE FUNDS SUMMIT  
PARIS, FRANCE  
FEBRUARY 28, 2008 – FEBRUARY 29, 2008

ELEVENTH ANNUAL WORLD CUP OF INVESTMENT MANAGEMENT  
CONFERENCE  
PARIS, FRANCE  
FEBRUARY 28, 2008 – FEBRUARY 29, 2008

Yeas – Trustees Bandemer, Beasley, Doyle, Freeman, Milton,  
Moore, Orzech, Pegg, Stewart, Talabi and Chairman  
Best – 11

Nays – None

PAYDEN & RYGEL

BY MR. MOORE – SUPPORTED BY MR. MILTON

RESOLVED, That the System will reimburse the expenses of any Trustee or staff who attended the 2007 IFEBP conference in Anaheim, California and traveled to Los Angeles, California to meet with Payden & Rygel, one of the System's Fixed Income Managers, in accordance with the System's established travel policies:

PAYDEN & RYGEL

Yeas – Trustees Bandemer, Beasley, Doyle, Freeman, Milton,  
Moore, Orzech, Pegg, Stewart, Talabi and Chairman  
Best – 11

Nays – None

NORTH POINT ADVISORS

ADRIAN ANDERSON APPEARED BEFORE THE BOARD AND  
DISCUSSED, AMONG OTHER MATTERS, UBS/MILLER & JACOBS  
(ACADIA FUND), THE BOARD'S EMERGING MANAGER  
PROGRAM AND BLACK EAGLE (PRIVATE EQUITY).

BLACK EAGLE  
\$15,000,000.00 PROPOSED INVESTMENT

BY MR. MILTON – SUPPORTED BY MR. DOYLE

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

BLACK EAGLE  
\$15,000,000.00 PROPOSED INVESTMENT

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 conditioned upon the Board's receipt of written acknowledgment from Black Eagle that Black Eagle has received a copy of this resolution and acknowledges and agrees to the conditions and requirements therein, 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 the transaction provided all requirements of the Board are met by Black Eagle 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

**BLACK EAGLE**  
**\$15,000,000.00 PROPOSED INVESTMENT**

Board's Legal Counsel and is executed by the Board, Black Eagle, 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 Black Eagle or entities other than the Board, and be it further

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

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

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

Resolved, That the foregoing is also conditioned upon Black Eagle 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 Black Eagle 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

BLACK EAGLE  
\$15,000,000.00 PROPOSED INVESTMENT

Resolved, That a copy of this resolution be forwarded to Black Eagle:

Yeas – Trustees Bandemer, Beasley, Doyle, Freeman, Milton, Moore, Stewart and Talabi – 8

Nays – Trustees Orzech, Pegg and Chairman Best – 3

BLACK EAGLE  
\$15,000,000.00 PROPOSED INVESTMENT

BY MR. MILTON – SUPPORTED BY MR. DOYLE

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 Black Eagle, and

BLACK EAGLE  
\$15,000,000.00 PROPOSED INVESTMENT

Whereas, The Board notes the possibility that preliminary legal services regarding the transaction may result in findings that Black Eagle 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 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 loan is Black Eagle providing the Assistant Administrative Supervisor with written confirmation that Black Eagle 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 Black Eagle will provide funds for costs, expenses and legal services, and be it further

Resolved, That Special Legal Counsel submit itemized billings to Black Eagle 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 Black Eagle 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 to Black Eagle and Special Legal Counsel Clark Hill:

BLACK EAGLE  
\$15,000,000.00 PROPOSED INVESTMENT

Yeas – Trustees Bandemer, Beasley, Doyle, Freeman, Milton,  
Moore, Orzech, Pegg, Stewart, Talabi and Chairman  
Best – 11

Nays – None

ROBECO (“ROBECO”) PRIVATE EQUITY FUND OF FUNDS  
\$10,000,000.00 PROPOSED INVESTMENT

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

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 Robeco, and

Whereas, The Board notes the possibility that preliminary legal services regarding the transaction may result in findings that

**ROBECO (“ROBECO”) PRIVATE EQUITY FUND OF FUNDS  
\$10,000,000.00 PROPOSED INVESTMENT**

Robeco 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 Robeco providing the Assistant Administrative Supervisor with written confirmation that Robeco 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 Robeco will provide funds for costs, expenses and legal services, and be it further

Resolved, That Special Legal Counsel submit itemized billings to Robeco 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 Robeco 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 to Robeco and Special Legal Counsel F. Logan Davidson, P.C.:

ROBECO (“ROBECO”) PRIVATE EQUITY FUND OF FUNDS  
\$10,000,000.00 PROPOSED INVESTMENT

Yeas – Trustees Bandemer, Beasley, Doyle, Freeman, Milton,  
Moore, Orzech, Pegg, Stewart, Talabi and Chairman  
Best – 11

Nays – None

PROVIDENT GROUP (FIXED INCOME HEDGE FUND)  
\$10,000,000.00 PROPOSED INVESTMENT

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

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 Provident, and

Whereas, The Board notes the possibility that preliminary legal services regarding the transaction may result in findings that

PROVIDENT GROUP (FIXED INCOME HEDGE FUND)  
\$10,000,000.00 PROPOSED INVESTMENT

Provident 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 Provident providing the Assistant Administrative Supervisor with written confirmation that Provident 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 Provident will provide funds for costs, expenses and legal services, and be it further

Resolved, That Special Legal Counsel submit itemized billings to Provident 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 Provident 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 to Provident and Special Legal Counsel F. Logan Davidson, P.C.:

PROVIDENT GROUP (FIXED INCOME HEDGE FUND)  
\$10,000,000.00 PROPOSED INVESTMENT

Yeas – Trustees Bandemer, Beasley, Doyle, Freeman, Milton,  
Moore, Orzech, Pegg, Stewart, Talabi and Chairman  
Best – 11

Nays – None

CROMWELL COMMUNICATIONS

THE EXECUTIVE SECRETARY DISCUSSED THE PRINTING, APPROVAL  
AND MAILING OF THE SYSTEM'S ANNUAL REPORT WITH THE  
BOARD AND CHAIRMAN BEST REQUESTED THAT TRUSTEE  
ORZECH'S MOTION REGARDING THE SYSTEM'S CONTRACT WITH  
CROMWELL BE BROUGHT FORWARD FOR A VOTE.

FOLLOWING IS TRUSTEE ORZECH'S MOTION REGARDING THE  
SYSTEM'S CONTRACT WITH CROMWELL COMMUNICATIONS:

CROMWELL COMMUNICATIONS

BY MR. ORZECH – SUPPORTED BY MR. STEWART

RESOLVED, THAT THE SYSTEM'S CONTRACT WITH CROMWELL  
COMMUNICATIONS BE TERMINATED:

TRUSTEE ORZECH WITHDREW HIS MOTION (TRUSTEE STEWART  
WITHDREW HIS SUPPORT) AND MADE THE MOTION WHICH  
FOLLOWS:

ANNUAL REPORTS

BY MR. ORZECH – SUPPORTED BY MS. FREEMAN

ANNUAL REPORTS

RESOLVED, THAT NO ANNUAL REPORTS BE PRINTED OR MAILED WITHOUT BOARD APPROVAL, PER SPECIFIC RESOLUTION:

Yeas – Trustees Bandemer, Beasley, Doyle, Freeman, Milton, Moore, Orzech, Pegg, Stewart, Talabi and Chairman Best – 11

Nays – None

RETIREMENTS

BY MR. ORZECH – SUPPORTED BY MR. BANDEMER

RESOLVED, THAT THE RETIREMENT APPLICATION WHICH IS OUTLINED BELOW BE APPROVED:

Yeas – Trustees Bandemer, Beasley, Doyle, Freeman, Milton, Moore, Orzech, Pegg, Stewart, Talabi and Chairman Best – 11

Nays – None

RETIREMENT

NAME, TITLE, DEPARTMENT	LUDOMILA MIKULINSKI – SERGEANT - POLICE
RETIREMENT, PLAN	SERVICE RETIREMENT – NEW PLAN
SERVICE CREDIT, EFFECTIVE DATE	17 06 24 – 09 29 03

PUBLIC FORUM

AT 2:23 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 2:25 P.M. UNTIL THURSDAY, **DECEMBER 6, 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