

MEETING NUMBER 2658

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



PROCEEDINGS HELD THURSDAY, DECEMBER 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 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 Councilperson
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

Shereece Fleming-Freeman	Ex/Officio Alternate Trustee
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ABSENT

None

CHAIRPERSON

Gregory Best

ROLL CALL WAS TAKEN AT 9:15 A.M. BY THE BOARD'S RECORDING SECRETARY AND THE MEETING WAS CALLED TO ORDER.

CAPITAL CALLS

BY MR. MOORE – SUPPORTED BY MR. STEWART

Whereas, The Board has been presented with the following capital calls, and

Whereas, The Board has been requested to approve funding of said capital calls, Therefore be it

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

Firm:	Citi Alternative Investments
Date:	December 10, 2007
Fund Name:	Cayman Offshore Fund II, L.P.
Capital Call I:	\$2,247,762.00

Firm:	Falconhead Capital Partners
Date:	December 5, 2007
Fund Name:	Falconhead Capital Partners II, L.P.
Capital Call III:	\$1,311,774.00

CAPITAL CALL REQUESTS

Firm: Oracle Capital Partners
Date: December 7, 2007
Fund Name: Oracle Capital Fund, L.P.
Capital Call V: \$643,500.00

Firm: PFRS Dublin Corporation
Date: December 11, 2007
Fund Name: PFRS Dublin Corporation
Capital Call VI: \$143,925.62

Firm: Prudential Financial
Date: December 7, 2007
Fund Name: PRISA II
Capital Call III: \$2,380,000.00

Firm: SG Capital
Date: December 10, 2007
Fund Name: SG Capital Fund, LLC
Capital Call I: \$168,764.00

Firm: Smith Wilely
Date: December 11, 2007
Fund Name: SW Pelham Fund III, L.P.
Capital Call VI: \$1,213,916.00

YEAS – TRUSTEES FREEMAN, MOORE, ORZECH, SCOTT, STEWART
AND CHAIRMAN BEST – 6

NAYS – NONE

RETIREMENTS

BY MR. MOORE – SUPPORTED BY MR. STEWART

RETIREMENTS

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

YEAS – TRUSTEES FREEMAN, MOORE, ORZECH, SCOTT, STEWART
AND CHAIRMAN BEST – 6

NAYS – NONE

RETIREMENTS

NAME, TITLE, DEPARTMENT	DARLENE BLAIR – OFFICER - POLICE
RETIREMENT, PLAN	SERVICE - NEW
SERVICE CREDIT, EFFECTIVE DATE	20 02 21 – 01 01 08

NAME, TITLE, DEPARTMENT	DOUGLAS HEIT – CAPTAIN - FIRE
RETIREMENT, PLAN	SERVICE - NEW
SERVICE CREDIT, EFFECTIVE DATE	34 11 09 – 01 21 08

NAME, TITLE, DEPARTMENT	LAWRENCE PAWL – BATTALION CHIEF - FIRE
RETIREMENT, PLAN	SERVICE - NEW
SERVICE CREDIT, EFFECTIVE DATE	35 04 23 – 01 03 08

NAME, TITLE, DEPARTMENT	EMMETT PORTER – OFFICER - POLICE
RETIREMENT, PLAN	SERVICE - NEW
SERVICE CREDIT, EFFECTIVE DATE	35 04 21 – 01 12 08

NAME, TITLE, DEPARTMENT	FREDA WASHINGTON – OFFICER - POLICE
RETIREMENT, PLAN	SERVICE - NEW
SERVICE CREDIT, EFFECTIVE DATE	26 02 02 – 01 22 08

RETIREMENTS

NAME, TITLE, DEPARTMENT MARION WELLS – CAPTAIN - FIRE
 RETIREMENT, PLAN SERVICE - NEW
 SERVICE CREDIT, EFFECTIVE DATE 34 11 05 – 01 15 08

NAME, TITLE, DEPARTMENT DAVID ZABLOCKI – OFFICER -
 POLICE
 RETIREMENT, PLAN SERVICE - NEW
 SERVICE CREDIT, EFFECTIVE DATE 22 02 21 – 01 05 08

CONFIRMATIONS

BY MR. ORZECH – SUPPORTED BY MR. SCOTT

RESOLVED, THAT THE RECEIPTS AND DISBURSEMENTS WHICH ARE
 REFERENCED ON THE PAGES WHICH FOLLOW BE CONFIRMED:

YEAS – TRUSTEES FREEMAN, MOORE, ORZECH, SCOTT, STEWART
 AND CHAIRMAN BEST – 6

NAYS – NONE

RECEIPTS SUMMARY

Police and Fire Retirement Systems of the City of Detroit		
Summary of Receipts		
From December 5-11, 2007		(revised)
Date	Received From	Explanation
	BNY	
12/6/2007	GSC CDO 11	Distribution: \$437,951.00
12/7/2007	General Fund	Weekly Annuity Contribution: \$290,432.62
	State Street	Various Class Action remittance: \$209,003.88

12/10/2007	One Kennedy Square	Distribution, Nov '07: \$16,250.00	
	Columns of Kentucky	Distribution, Nov '07: \$14,614.18	
	Trellises of Kentucky	Distribution, Nov '07: \$24,106.77	
	Provident Group	Due Diligence Fee: \$15,000.00	
	MMA Capital	Construction Loan Interest, Nov 07: \$325,879.00	
	MMA Construction	Construction Loan Interest, Nov 07: \$157,035.58	
	Churchill Mortgage	Construction Loan Interest, Nov 07: \$8,039.69	
12/11/2007	Kales Building	Distribution, Nov '07: \$48,165.58	
	The Sheffield	Distribution, Nov '07: \$53,840.00	
		TOTAL RECEIPTS: \$1,600,318.30	

DISBURSEMENTS SUMMARY

Police and Fire Retirement Systems of the City of Detroit			
Summary of Disbursements			
From December 5-11, 2007			
Date	Wired To	Explanation	Amount
	BNY		
12/7/2007	Banyan Realty Advisors	Servicing Fee-3rd Qtr '07	48,054.27
	Bank of New York	EAFE Index Management Fee - 3rd Qtr '07	56,980.28
	Bank of New York	Custodial Fee-3rd Qtr '07	63,718.21
	Payden & Rygel Act 1612	Management Fee-Oct '07	11,465.00
	Payden & Rygel Act 1613	Management Fee-Oct '07	17,939.00
	General Fund	Check-write-Administrative Expense	3,208.20

	Reginald O'Neal	Medical Fees	3,386.00
12/10/2007	General Retirement	Reimbursement-ADP	48.65
	North Point	Due Diligence Fee-Black Eagle	12,000.00
	North Point	Due Diligence Fee-Finch Asset Management	15,000.00
12/11/2007	First Independence	List #3261	1,203,760.93
	SG Capital	Draw # 1	168,764.00
		TOTAL DISBURSEMENTS:	\$1,604,324.54

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY MR. STEWART – SUPPORTED BY MR. ORZECH

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 #3262, IN THE AMOUNT OF \$639,013.71, INCLUDING INTEREST, BE REFUNDED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

YEAS – TRUSTEES FREEMAN, MOORE, ORZECH, SCOTT, STEWART AND CHAIRMAN BEST – 6

NAYS – NONE

MINUTES OF THURSDAY, NOVEMBER 1, 2007

BY MR. ORZECH – SUPPORTED BY MR. SCOTT

MINUTES OF THURSDAY, NOVEMBER 1, 2007

RESOLVED, THAT THE MINUTES OF THE MEETING HELD THURSDAY, NOVEMBER 1, 2007 BE APPROVED AS RECORDED AND SUBMITTED BY THE BOARD'S RECORDING SECRETARY:

YEAS – TRUSTEES FREEMAN, MOORE, ORZECH, SCOTT, STEWART
AND CHAIRMAN BEST – 6

NAYS – NONE

MINUTES OF THURSDAY, NOVEMBER 15, 2007

BY MR. ORZECH – SUPPORTED BY MR. SCOTT

RESOLVED, THAT THE MINUTES OF THE MEETING HELD THURSDAY, NOVEMBER 15, 2007 BE APPROVED AS RECORDED AND SUBMITTED BY THE BOARD'S RECORDING SECRETARY:

YEAS – TRUSTEES FREEMAN, MOORE, ORZECH, SCOTT, STEWART
AND CHAIRMAN BEST – 6

NAYS – NONE

TRUSTEES PEGG AND TALABI ENTERED THE MEETING.

GVC WINSTAR

ADRIAN ANDERSON (OF NORTH POINT ADVISORS) JOINED THE BOARD IN LISTENING TO KIRKLAND DUDLEY AND TWO ASSOCIATES DISCUSS OUTSTANDING INTEREST PAYMENTS DUE THE BOARD (JULY 1, 2007 AND OCTOBER 1, 2007).

FOLLOWING THE LENGTHY DISCUSSION, THE BOARD EXCUSED MR. DUDLEY AND HIS ASSOCIATES.

TRUSTEE BANDEMER ENTERED THE MEETING.

TRUSTEE MILTON ENTERED THE MEETING.

LEGAL COUNSEL RONALD ZAJAC ENTERED THE MEETING.

MAYFIELD GENTRY REALTY ADVISORS, LLC

CHAUNCEY MAYFIELD AND SEVERAL ASSOCIATES APPEARED BEFORE THE BOARD TO DISCUSS MAYFIELD GENTRY'S 2008 BUDGET.

TRUSTEE BEASLEY ENTERED THE MEETING.

PRIOR TO DISCUSSING THE BUDGET, MR. MAYFIELD THANKED TRUSTEE TALABI FOR HER SUPPORT OF MAYFIELD GENTRY.

MMA REALTY ADVISORS

PAUL BERNARD AND THOMAS ZDRODOWSKI APPEARED BEFORE THE BOARD AND DISCUSSED AMONG OTHER MATTERS, W. HOTEL AND RESIDENCES, THE SHEFFIELD, THE COLUMNS OF KENTUCKY, THE TRELLISES OF KENTUCKY AND PALMETTO SPRINGS.

THE BOARD THEN EXCUSED MESSRS. ZDRODOWSKI AND BERNARD.

WATER LOFTS

DWIGHT BELLVEVE AND TWO ASSOCIATES APPEARED BEFORE THE BOARD, DISCUSSED A PROPOSAL TO BUILD LOFTS ON THE RIVERFRONT (\$10,000,000.00 PHASE I PROJECT - \$10,000,000.00 PHASE II PROJECT) AND THEN EXCUSED THEMSELVES.

AETOS CAPITAL

ANDREA BOLLYKY AND ASSOCIATE BRAD RUDNER APPEARED BEFORE THE BOARD, DISCUSSED ALTERNATIVE ABSOLUTE INVESTING AND THEN EXCUSED THEMSELVES.

UBS FINANCIAL SERVICES

TIM SPENCE APPEARED BEFORE THE BOARD, DISCUSSED BROKERAGE SERVICES AND THEN EXCUSED HIMSELF.

BILL PAYMENT REQUESTS

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

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

WHEREAS, THE BOARD IS SATISFIED THAT 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:

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

CLARK HILL – SEPTEMBER 14, 2007 - \$23,661.01 – AUGUST, 2007 SERVICES – RDD INVESTMENT CORPORATION (FORMERLY EDS, INC.)

CLARK HILL – OCTOBER 26, 2007 - \$15,000.00 – AUGUST, 2007 SERVICES – FAM GLOBAL

CLARK HILL – OCTOBER 19, 2007 - \$10,053.53 – SEPTEMBER, 2007 SERVICES – DROP PLAN

BILL PAYMENT REQUESTS

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

CLARK HILL – OCTOBER 19, 2007 - \$5,954.90 – SEPTEMBER, 2007 SERVICES – MISCELLANEOUS

CLARK HILL – JUNE 29, 2007 - \$5,727.00 – MAY, 2007 SERVICES – MISCELLANEOUS

CLARK HILL – FEBRUARY 20, 2007 - \$2,250.00 – JANUARY, 2007 SERVICES – SMITH WHILEY SECURITIES, INC.

CORPORATE EXPRESS, INC. – NOVEMBER 30, 2007 - \$81.93 – POLICE AND FIRE PORTION OF \$163.85 – SUPPLIES

GABRIEL, ROEDER, SMITH & CO. – DECEMBER 5, 2007 - \$4,700.00 – DECEMBER, 2007 ACTUARIAL SERVICES

GFOA – DECEMBER 1, 2007 - \$20.00 – POLICE AND FIRE PORTION OF \$40.00 – DUES/NEWS LETTER

IKON OFFICE SOLUTIONS – NOVEMBER 28, 2007 - \$611.46 – POLICE AND FIRE PORTION OF \$1,222.92 – SUPPLIES

IRON MOUNTAIN – NOVEMBER 30, 2007 - \$754.35 – POLICE AND FIRE PORTION OF \$1,508.70 – SUPPLIES

IRON MOUNTAIN – NOVEMBER 30, 2007 - \$213.70 – POLICE AND FIRE PORTION OF \$427.40 – SUPPLIES

MAYFIELD GENTRY REALTY ADVISORS, LLC – DECEMBER 12, 2007 - \$267,357.46 – DISPOSITION FEE REIMBURSEMENT – OAK GROVE CORP.

BILL PAYMENT REQUESTS

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

MAYFIELD GENTRY REALTY ADVISORS, LLC – DECEMBER 12, 2007
- \$255,367.35 – NOVEMBER, 2007 ASSET MANAGEMENT AND
MORTGAGE SERVICING FEES

MAYFIELD GENTRY REALTY ADVISORS, LLC – DECEMBER 11, 2007
- \$143,925.62 – PFRS DUBLIN CORP. CAPITAL IMPROVEMENTS

NEO-POST – NOVEMBER 21, 2007 - \$1,048.65 – POLICE AND FIRE
PORTION OF \$2,097.30 – SUPPLIES

OFFICE DEPOT – NOVEMBER 28, 2007 - \$571.49 – POLICE AND
FIRE PORTION OF \$1,142.98 – SUPPLIES

PREFERRED DATA SYSTEMS, LLC – NOVEMBER 30, 2007 - \$3,066.12
– POLICE AND FIRE PORTION OF \$6,132.24 – SUPPLIES

TAPE 4 BACKUP – NOVEMBER 30, 2007 - \$285.65 – POLICE AND
FIRE PORTION OF \$571.30 – SUPPLIES

VERIZON WIRELESS – DECEMBER 4, 2007 - \$1,875.90 – INTERNET
SERVICE

XO COMMUNICATIONS – DECEMBER 1, 2007 - \$944.36 – POLICE
AND FIRE PORTION OF \$1,888.71 – INTERNET SERVICE

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

NAYS – NONE

MMA REALTY CAPITAL

W. HOTEL & RESIDENCES

NEW YORK, NEW YORK

UP TO \$12,000,000.00 PARTICIPATION IN SR. MEZZANINE LOAN

WHEREAS, THE BOARD IS IN RECEIPT OF AN INVESTMENT PROPOSAL AND OTHER DOCUMENTS CONTAINED IN A BINDER SUBMITTED TO THE BOARD THIS DATE, AND

WHEREAS, THE BOARD HAS BEEN INFORMED THAT THE GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT MAY INVEST ONE-HALF OF THE UP TO \$12,000,000.00 PROPOSED INVESTMENT AMOUNT, AND

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

RESOLVED, THAT THE BOARD APPROVES THE INVESTMENT AND EXECUTION OF APPROPRIATE DOCUMENTS SUBJECT TO APPROVAL OF DOCUMENTATION BY THE SYSTEMS' GENERAL COUNSEL, AND BE IT FURTHER

RESOLVED, THAT UP TO \$12,000,000.00 (UP TO \$6,000,000.00 IF THE GENERAL RETIREMENT SYSTEM INVESTS IN ONE-HALF OF THE PROPOSAL) BE WIRE-TRANSFERRED SUBJECT TO APPROVAL BY THE SYSTEM'S GENERAL COUNSEL, EXECUTIVE SECRETARY AND ASSISTANT EXECUTIVE SECRETARY, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO MMA REALTY CAPITAL, THE TRUSTEES OF THE GENERAL RETIREMENT SYSTEM AND THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEM:

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

NAYS – NONE

MMA Secured and Credit Enhanced Warehouse Facility

By Mr. Bandemer – Supported by Mr. Stewart

WHEREAS, Municipal Mortgage & Equity, LLC (“MMA”) is seeking a short-term credit facility (“the Facility”) from the Retirement System to warehouse both fixed and floating rate loans (“Loans”) secured by multifamily and commercial real estate assets, and

WHEREAS, the Facility will be secured by the Loans and by a 100% guaranty of principal and interest by MMA, and

WHEREAS, the potential capital source for said Facility would be collateral held by the Bank of New York who serves as custodian for the Retirement System’s Securities Lending Program, therefore be it

RESOLVED, that the Retirement System approves the Bank of New York (the Retirement System’s custodial bank) and MMA to initiate a credit review and due diligence process to determine, among other things, the feasibility, potential amount, structure, terms and pricing of said Facility, and be it further

RESOLVED, moreover, MMA shall provide a report to the Retirement System of the results of the credit review and due diligence, and be it further

RESOLVED, that a copy of this resolution be forwarded to MMA, The Bank of New York and the Accounting Division of the Retirement System:

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

MMA Secured and Credit Enhanced Warehouse Facility

NAYS – NONE

RIVER PLACE APARTMENTS/MAYFIELD GENTRY REALTY
ADVISORS, LLC
2008 OPERATING BUDGET
MGRA REAL ESTATE PF PORTFOLIO

BY MR. BANDEMER – SUPPORTED BY MR. MILTON

WHEREAS, THE BOARD IS IN RECEIPT OF A PROPOSED 2008 OPERATING BUDGET, RE: THE REAL ESTATE PROPERTY PORTFOLIO PRESENTED THIS DATE WITH A BINDER AND SUPPLEMENTAL TABLET, AND

WHEREAS, A PRESENTATION WAS MADE THIS DATE BY MAYFIELD GENTRY REALTY ADVISORS, LLC, REPRESENTED BY MR. MAYFIELD AND SEVERAL ASSOCIATES, AND

WHEREAS, THE BOARD HAS DISCUSSED THIS MATTER AND ANY QUESTIONS HAVE BEEN ANSWERED, THEREFORE BE IT

RESOLVED, THAT THE BOARD APPROVES THE 2008 OPERATING BUDGET SUBMITTED BY MAYFIELD GENTRY REALTY ADVISORS, LL THIS DATE, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO CHAUNCEY MAYFIELD OF MAYFIELD GENTRY REALTY ADVISORS, LLC, AND RETIREMENT SYSTEM ACCOUNTING STAFF:

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

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. SCOTT

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:

Name:	William Corbett
Beneficiary Date of Death:	October 23, 2007
Application Filed:	November 14, 2007

Name:	George Pollock
Beneficiary Date of Death:	August 10, 2007
Application Filed:	November 14, 2007

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

NAYS – NONE

ADJUSTMENTS TO PENSIONS, RE: WAGE INCREASES FOR SERGEANTS
APPLICABLE TO INVESTIGATORS

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

WHEREAS, THE BOARD IS IN RECEIPT OF A DECEMBER 6, 2007
COMMUNICATION FROM THE DETROIT POLICE LIEUTENANTS' AND

ADJUSTMENTS TO PENSIONS, RE: WAGE INCREASES FOR SERGEANTS
APPLICABLE TO INVESTIGATORS

SERGEANTS' ASSOCIATION ("DPLSA") WITH AN ATTACHED TRANSCRIPT OF
A HEARING BEFORE THE MERC LABOR RELATIONS DIVISION ADMINISTRATIVE
LAW JUDGE DOYLE O'CONNOR ON JANUARY 31, 2007, AND

WHEREAS, A SETTLEMENT BETWEEN THE CITY OF DETROIT AND DETROIT
POLICE LIEUTENANTS' AND SERGEANTS' ASSOCIATION PLACED ON THE
RECORD A SETTLEMENT AGREEMENT WHICH, INTER ALIA, PROVIDES THAT:

1) EFFECTIVE JULY 1, 2006, ALL INVESTIGATORS' WAGES AND BENEFITS WILL
BE ELEVATED TO THE LEVEL WHICH THEY WOULD HAVE RECEIVED IF THEY
WERE CLASSIFIED AS SERGEANTS, AND

2) AND ALSO PROVIDES THAT INVESTIGATORS WHO RETIRED ON OR BEFORE
JUNE 30, 2006, BUT AFTER THE DATE OF THE ISSUANCE OF THE ACT 312
AWARD, WILL HAVE THEIR PENSION RE-CALCULATED TO REFLECT THAT THEY
RETIRED AT THE PAY GRADE OF SERGEANT, AND

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

RESOLVED, THAT THE APPLICABLE RETIREES RECEIVE AN INCREASE IN
PENSION AMOUNTS CONSISTENT WITH THE FOREGOING, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO THE
DETROIT POLICE LIEUTENANTS' AND SERGEANTS' ASSOCIATION AND
RETIREMENT SYSTEM STAFF:

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

NAYS – NONE

ADDENDUM TO AGREEMENT DATED JANUARY 1, 1999
AMENDMENT #3 TO CONTRACT
HAROLD A. LAMKIN

BY MR. STEWART – SUPPORTED BY MR. MOORE

ADDENDUM TO AGREEMENT DATED JANUARY 1, 1999
AMENDMENT #3 TO CONTRACT
HAROLD A. LAMKIN

Resolved, That the Board's contract with Harold A. Lamkin to provide computer programming services to the Retirement Systems for the term commencing January 1, 2008 and expiring December 31, 2008, at the hourly rate so specified in said contract, be hereby approved:

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

NAYS – NONE

ENERGY INVESTORS FUNDS
UNITED STATES POWER FUND III, L.P.

BY MR. BANDEMER – SUPPORTED BY MR. SCOTT

RESOLVED, THAT THE BOARD'S MOTION OF DECEMBER 6, 2007 BE AMENDED TO REFLECT **SUSAN GLASER** (GENERAL RETIREMENT SYSTEM TRUSTEE) SERVING AS **GEORGE ORZECH'S** ALTERNATE ON ENERGY INVESTORS FUNDS' UNITED STATES POWER FUND III, L.P. ADVISORY BOARD:

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

NAYS – NONE

CONFERENCES

By Mr. Bandemer – Supported by Mr. Stewart

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:

15th Annual Mid-Sized Retirement and Pension Plan
Management Conference
California
March 11, 2008 – March 14 ,2008

14th Annual Domestic and International Securities Lending &
Repo Conference
California
February 3, 2008 – February 6, 2008

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

NAYS – NONE

CONFERENCE

By Mr. Bandemer – Supported by Mr. Stewart

Resolved, That the Board approve the attendance of its **Investment Analyst** at the below-referenced conference:

14th Annual Domestic and International Securities Lending &
Repo Conference
California

CONFERENCE

February 3, 2008 – February 6, 2008

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

NAYS – NONE

RETURN TO WORK REQUEST OF GREGORY DAVIS

BY MR. ORZECH – SUPPORTED BY MR. BANDEMER

RESOLVED, THAT DETROIT RECEIVING HOSPITAL'S JULY 30, 2007 REPORT REGARDING THE RETURN TO WORK REQUEST OF **GREGORY DAVIS** BE RE-SUBMITTED TO THE BOARD'S MEDICAL DIRECTOR FOR REVIEW AND COMMENT:

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

NAYS – NONE

CITY OF DETROIT SPECIAL ESCROW ACCOUNT
POLICEMEN & FIREMEN RETIREMENT SYSTEM

BY MR. ORZECH – SUPPORTED BY MR. BANDEMER

Whereas, On September 3, 1984, the Board of Trustees of the Policemen and Firemen Retirement System adopted a resolution establishing a separate expense account from investment earnings, Fund LVY7, Account Number 591328, designated the City of Detroit Special Escrow Account, Therefore Be It

Resolved, That the Board approve the transfer of Sixty Thousand Dollars (\$60,000.00) from the Board's liquid reserve account (fund #LVY6/account #591355) to this Special Escrow Account, Fund LVY7, Account Number 591328:

CITY OF DETROIT SPECIAL ESCROW ACCOUNT
POLICEMEN & FIREMEN RETIREMENT SYSTEM

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

NAYS – NONE

LEGAL COUNSEL'S REPORTS

LEGAL COUNSEL RONALD ZAJAC DISCUSSED VARIOUS MATTERS WITH THE
BOARD, INCLUDING AETNA, INC.

AETNA, INC.

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

WHEREAS, THE POLICE AND FIRE RETIREMENT SYSTEM INCURRED
APPROXIMATELY \$300,000.00 IN LOSSES FROM PURCHASES OF
AETNA, INC. STOCK, AND

WHEREAS, KIRBY MCINERNEY, LLP HAS REPORTED TO THE BOARD
THAT THE GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT
INCURRED APPROXIMATELY \$635,000.00 IN LOSSES FROM
PURCHASES OF AETNA, INC. STOCK, AND

WHEREAS, KIRBY MCINERNEY, LLP HAS REPORTED TO THE BOARD
REGARDING THEIR ANALYSIS OF THE MERITS OF A CASE AGAINST
AETNA, INC., AND

WHEREAS, KIRBY MCINERNEY, LLP HAS INQUIRED WHETHER THE
RETIREMENT SYSTEM IS INTERESTED IN SEEKING TO BE A CO-LEAD
PLAINTIFF WITH THE GENERAL RETIREMENT SYSTEM OF THE CITY OF
DETROIT IN THIS LITIGATION, AND

WHEREAS, THE BOARD DEEMS IT APPROPRIATE TO SEEK TO BE A
CO-LEAD PLAINTIFF WITH THE GENERAL RETIREMENT SYSTEM OF

AETNA, INC.

THE CITY OF DETROIT IN THIS MATTER TO RECOVER LOSSES INCURRED BY THE SYSTEMS, THEREFORE BE IT

RESOLVED, THAT THE BOARD SEEK TO BE NAMED CO-LEAD PLAINTIFF WITH THE GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT REGARDING THIS MATTER, AND BE IT FURTHER

RESOLVED, THAT KIRBY MCINERNEY, LLP BE RETAINED TO REPRESENT THE SYSTEM REGARDING THIS MATTER, SUBJECT TO AGREEMENT REGARDING PRIOR TERMS OF RETENTION IN CLASS ACTION MATTERS, AND A COPY OF THIS RESOLUTION BE FORWARDED TO KIRBY MCINERNEY, LLP AND THE BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT:

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

NAYS – NONE

TOUCHSTONE OPPORTUNITY FUND IV, LLC

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

Whereas, The Board has been requested to execute an **Acknowledgement and Consent**, re: Confidential Supplement to Private Placement Memorandum, as amended by General Counsel, relative to the foregoing transaction, and

Whereas, The execution of said document has been recommended by Touchstone, and

TOUCHSTONE OPPORTUNITY FUND IV, LLC

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

Resolved, That said document be executed by two (2) authorized signatories on behalf of the Board, and be it further

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

Resolved, That the Accounting Division of the Retirement System retain copies of said executed original document:

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

NAYS – NONE

MCCALISTER, JR. VERSUS MCCALISTER
WAYNE COUNTY CASE #92-204309

BY MR. STEWART – SUPPORTED BY MR. SCOTT

WHEREAS, THE BOARD, ON NOVEMBER 29, 2007, RECEIVED A JULY 8, 1994 COURT ORDER TITLED A "QUALIFIED DOMESTIC RELATIONS ORDER" ("QDRO") WHICH SHOULD HAVE BEEN TITLED AN "ELIGIBLE DOMESTIC RELATIONS ORDER" ("EDRO") AND WHICH IS INTERPRETED AS AN "EDRO" BY THE BOARD OF TRUSTEES AFTER REPORT OF THE BOARD'S GENERAL COUNSEL WHO INDICATED THAT OTHER THAN THE TITLE, THE CONTENTS OF THE "QDRO" ARE CONSISTENT WITH AN "EDRO," WHEREIN GWENDOLYN MCCALISTER IS AWARDED CERTAIN RIGHTS TO THE

MCCALISTER, JR. VERSUS MCCALISTER
WAYNE COUNTY CASE #92-204309

DEFINED BENEFIT PLAN AND DEFINED CONTRIBUTION PLAN BENEFITS OF ROY MCCALISTER, JR. WHO RETIRED JUNE 30, 2006 AND WITHDREW HIS DEFINED CONTRIBUTION PLAN BALANCE ON MARCH 1, 2007 IN APPARENT CONFLICT WITH THE JULY 8, 1994 ORDER, AND

WHEREAS, THE BOARD NOTES THAT THE CORRECT ORDER SHOULD BE TITLED “ELIGIBLE DOMESTIC RELATIONS ORDER” (EDRO), NOT “QUALIFIED DOMESTIC RELATIONS ORDER” (QDRO), AND

WHEREAS PARTICIPANT’S DATE OF BIRTH IS APRIL 24, 1954, AND PARTICIPANT HAD ATTAINED 22 YEARS, 09 MONTHS AND 23 DAYS OF SERVICE CREDIT, AND

WHEREAS, PARTICIPANT, CONTRARY TO THE JULY 8, 1994 ORDER, OBTAINED PAYMENT OF 100% OF THE DEFINED CONTRIBUTION PLAN, AND

WHEREAS, IT APPEARS THAT PARTICIPANT OWES THE AWARDED AMOUNT TO THE NAMED ALTERNATE PAYEE (EX/WIFE), AND

WHEREAS, THE EARLIEST DATE THAT PAYMENTS FROM THE DEFINED BENEFIT PLAN CAN BE MADE TO THE ALTERNATE PAYEE IS IMMEDIATELY, AND

WHEREAS, THE BOARD’S POLICY IS TO REQUIRE THAT THE COST FOR THE ACTUARY’S CALCULATIONS ARE TO BE BORNE BY THE PARTIES TO THE DOMESTIC RELATIONS PROCEEDINGS, AND THE COURT ORDER PROVIDES FOR THE PARTIES TO SHARE THE COST OF THE ACTUARY’S FEES, AND

MCCALISTER, JR. VERSUS MCCALISTER
WAYNE COUNTY CASE #92-204309

WHEREAS, THE BOARD NOTES THAT BOTH THE PARTICIPANT AND THE ALTERNATE PAYEE HAVE FAILED TO TIMELY PROVIDE THE RETIREMENT SYSTEM WITH A COPY OF THE JULY 8, 1994 COURT ORDER, AND

WHEREAS, SAID MATTER HAS BEEN DISCUSSED WITH LEGAL COUNSEL WHO HAS OPINED THAT THE APPLICABLE TERMS OF SAID COURT ORDER ARE CONSISTENT WITH THE PROVISIONS OF THE RETIREMENT SYSTEM AND APPLICABLE LAW, THEREFORE BE IT

RESOLVED THAT THE BOARD ACKNOWLEDGE RECEIPT OF SAID COURT ORDER AND PAY DEFINED BENEFIT PLAN PENSION BENEFITS ONLY, CONSISTENT WITH SAID COURT ORDER, AND BE IT FURTHER

RESOLVED, THAT 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 GREGORY DEMOPOULOS, ATTORNEY SEYMOUR MARKOWITZ, GWENDOLYN MCCALISTER AND ROY MCCALISTER, JR.:

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

NAYS – NONE

ASI ADVISORS/TRADE WINDS

DONALD WATKINS AND TWO ASSOCIATES APPEARED BEFORE THE BOARD, DISCUSSED AN AIRLINE CARGO CARRIER PROPOSAL AND THEN EXCUSED THEMSELVES.

Re: ICG Leaseback Fund I, LLC: Conversion of up to \$22,000,000.00 Investor Member Interest into Loan and Issuance of an up to \$4,000,000.00 Letter of Credit

By Mr. Bandemer – Supported by Mr. Milton

WHEREAS, the Board has previously indicated its intent to make an up to \$22,000,000 investment in ICG Leaseback Fund I, LLC, and

WHEREAS, the Board has also been requested to provide an up to \$4,000,000.00 Letter of Credit on behalf of ICG Leaseback Fund I, LLC, and

WHEREAS, it is in the Board's best interest to structure the foregoing investment as a loan to ICG-REA Manager, LLC, the sole owner of ICG Leaseback Fund I, LLC, and

WHEREAS, the Board has also been requested to allow the Borrower to sell the properties singularly, provided that upon the sale of any of the properties the Borrower will pay the Board a sum of money not less than what is necessary to provide a 9.2% internal rate of return to the Board for each one of the properties sold, and if the Borrower does not pay the Board the required amount, the Borrower may not sell the property, and

WHEREAS, ICG-REA Manager, LLC is working diligently to complete this transaction before the next Board meeting and has requested that if all documentation can be finalized before the next Board meeting, the Board authorize the execution of

Re: ICG Leaseback Fund I, LLC: Conversion of up to \$22,000,000.00 Investor Member Interest into Loan and Issuance of an up to \$4,000,000.00 Letter of Credit

such documents to be executed by the Board to allow for the closing of the transaction before the next Board meeting, and

WHEREAS, the structure of the transaction has been recommended by the Board's advisor Banyan Realty Advisors LLC, and the Board's special legal counsel, F. Logan Davidson, P.C., and

WHEREAS, the Board is willing to authorize the execution of such documents, provided that all of such documents are reviewed and approved as to form by the Board's legal counsel prior to the execution of said documents by the Board, and further provided that immediately upon the execution of said documents, the Board's special legal counsel, F. Logan Davidson, P.C., provide the Board with a complete list of said documents, and

WHEREAS, in connection with the closing of the transaction, the Board is being requested to wire transfer not to exceed \$16,982,000.00 to ICG Leaseback Fund I, LLC, Therefore be it

RESOLVED, that the foregoing changes to the structure of the transaction are hereby approved, and be it further

RESOLVED, that upon approval as to form by the Board's legal counsel, said documents be executed by two authorized signatories on behalf of the Board, and be it further

RESOLVED, that immediately upon the execution of said documents, the Board's special counsel F. Logan Davidson, P.C. provide the Board with a complete list of the documents executed on behalf of the Board, and be it further

Re: ICG Leaseback Fund I, LLC: Conversion of up to \$22,000,000.00 Investor Member Interest into Loan and Issuance of an up to \$4,000,000.00 Letter of Credit

RESOLVED, That the sum, not to exceed **\$16,982,000.00**, be wire-transferred consistent with the Board's established procedures to ICG Leaseback Fund I, LLC, subject to the written approval of the Board's special counsel, general counsel and Executive Secretary:

YEAS – TRUSTEES BANDEMER, BEASLEY, FREEMAN, MILTON, MOORE, PEGG, SCOTT, STEWART AND TALABI – 9

NAYS – TRUSTEE ORZECH – 1

ABSTAIN – CHAIRMAN BEST – 1

AETOS CAPITAL

BY MR. BANDEMER – SUPPORTED BY MR. MILTON

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

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

Resolved, That subject to Aetos agreeing to pay the costs for said due diligence and said funds being escrowed by Aetos 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

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

AETOS CAPITAL

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 Aetos, North Point Advisors and the Accounting Division of the Retirement System:

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

NAYS – NONE

UBS FINANCIAL SERVICES

By Mr. Orzech – Supported by Ms. Talabi

Resolved, That Tim Spence of UBS be added to the list of Brokers of Record for the Police and Fire Retirement System of the City of Detroit, and be it further

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

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

NAYS – NONE

JANUARY 3, 2008 BOARD MEETING CANCELLATION

BY MS. FREEMAN – SUPPORTED BY MR. STEWART

RESOLVED, THAT THE POLICE AND FIRE RETIREMENT SYSTEM BOARD MEETING OF THURSDAY, JANUARY 3, 2008 BE CANCELLED AND THE APPROPRIATE PARTIES NOTIFIED:

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

NAYS – NONE

PUBLIC FORUM

AT 3:20 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 3:23 P.M. UNTIL THURSDAY, DECEMBER 20, 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