

MEETING NUMBER 2666

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



PROCEEDINGS HELD THURSDAY, FEBRUARY 7, 2008
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
Barbara-Rose Collins	Ex/Officio Trustee/Councilperson
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
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 **9:05 A.M.** BY THE BOARD'S RECORDING SECRETARY AND THE MEETING WAS CALLED TO ORDER.

CAPITAL CALLS/DRAWS

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

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

Whereas, The Board has been requested to approve funding of said capital calls/draws, 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/draws:

Firm: BlackEagle
Date: February 5, 2008
Fund Name: BlackEagle Partners Fund, L.P.
Capital Call/Draw: \$2,721,067.00

Firm: Energy Investors Fund
Date: January 30, 2008
Fund Name: USPF III Leveraged Feeder Fund, L.P.
Capital Call/Draw: \$667,852.00

CAPITAL CALLS/DRAWS

Firm: Energy Investors Fund
Date: January 30, 2008
Fund Name: USPF III Blocker Fund, L.P.
Capital Call/Draw: \$1,001,778.00

Firm: GVC /McTevia
Date: January 30, 2008
Fund Name: GVC Networks/GVC Winstar
Capital Call/Draw: \$1,250,000.00

Firm: Oracle Capital Partners
Date: January 25, 2008
Fund Name: Oracle Capital Fund, L.P.
Capital Call/Draw: \$1,534,500.00

Firm: Paramount Limited
Date: January 29, 2008
Fund Name: Paramount Limited, LLC
Capital Call/Draw: \$2,179,712.50

Firm: Perseus Partners VII, L.P.
Date: February 6, 2008
Fund Name: Perseus Partners VII, L.P.
Capital Call/Draw: \$1,360,928.00

Firm: SG Capital
Date: February 1, 2008
Fund Name: SG Capital Fund, LLC
Capital Call/Draw: \$325,000.00

Firm: Touchstone
Date: February 5, 2008
Fund Name: Touchstone Opportunity Investments II,
Limited

CAPITAL CALLS/DRAWS

Capital Call/Draw: \$785,069.33

Yeas – Trustees Bandemer, Doyle, Orzech, Pegg, Stewart and
Chairman Best – 6

Nays – None

RETIREMENTS

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

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

Yeas – Trustees Bandemer, Doyle, Orzech, Pegg, Stewart and
Chairman Best – 6

Nays – None

RETIREMENTS

NAME, TITLE, DEPARTMENT	JOHN ELDRINGTON – OFFICER – POLICE
RETIREMENT, PLAN	SERVICE – NEW
SERVICE CREDIT, EFFECTIVE DATE	20 11 09 – 01 05 08

NAME, TITLE, DEPARTMENT	SOLOMON BILLS – OFFICER – POLICE
RETIREMENT, PLAN	SERVICE – NEW
SERVICE CREDIT, EFFECTIVE DATE	25 00 10 – 01 04 08

NAME, TITLE, DEPARTMENT	JOHNNIE HARDY – COMM. OFFICER – POLICE OFFICER - POLICE
RETIREMENT, PLAN	SERVICE - NEW
SERVICE CREDIT, EFFECTIVE DATE	36 02 14 – 01 02 08

RETIREMENTS

NAME, TITLE, DEPARTMENT	RANDALL MCGHEE – OFFICER - POLICE
RETIREMENT, PLAN	SERVICE - NEW
SERVICE CREDIT, EFFECTIVE DATE	26 01 12 – 01 10 08

NAME, TITLE, DEPARTMENT	ANNIE SNYDER, WIDOW OF DECEASED JOEL SNYDER – OFFICER - POLICE
RETIREMENT, PLAN	NON-DUTY, WIDOW
SERVICE CREDIT, EFFECTIVE DATE	25 00 00 – 02 11 03

CONFIRMATIONS

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

RESOLVED, THAT THE DISBURSEMENTS AND RECEIPTS WHICH ARE
OUTLINED BELOW BE CONFIRMED:

Yeas – Trustees Bandemer, Doyle, Orzech, Pegg, Stewart and
Chairman Best – 6

Nays – None

DISBURSEMENTS

**THE BOARD DISBURSED THE SUM OF \$1,761,554.70 ON JANUARY 24, 2008
(7850 EAST JEFFERSON)**

**THE BOARD DISBURSED THE SUM OF \$77,951.58 ON JANUARY 24, 2008 TO
FUND DRAWS 5 AND 6 FOR SUMMER WIND APARTMENTS (CHURCHILL)**

**THE BOARD DISBURSED THE SUM OF \$22,046.00 ON JANUARY 25, 2008 TO PAY
ALPHA PARTNERS' 2007 FOURTH QUARTER FEES**

DISBURSEMENTS

THE BOARD DISBURSED THE SUM OF \$13,145.15 ON JANUARY 25, 2008 TO PAY HGKS 2007 FOURTH QUARTER FEES

THE BOARD DISBURSED THE SUM OF \$515,026.04 ON JANUARY 25, 2008 TO PAY KENNEDY CAPITAL'S 2007 FOURTH QUARTER FEES

THE BOARD DISBURSED THE SUM OF \$49,973.04 ON JANUARY 25, 2008 TO PAY STEWARD CAPITAL'S 2007 FOURTH QUARTER FEES

THE BOARD DISBURSED THE SUM OF \$138,819.44 ON JANUARY 25, 2008 TO PAY MUNROS' 2007 FOURTH QUARTER FEES

THE BOARD DISBURSED THE SUM OF \$34,435.83 ON JANUARY 25, 2008 TO PAY RHUMBLINE'S 2007 FOURTH QUARTER FEES

THE BOARD DISBURSED THE SUM OF \$1815.02 - TO REPAY THE GENERAL FUND FOR CHECK-WRITE EXPENSES

THE BOARD DISBURSED THE SUM OF \$133,698.43 ON JANUARY 28, 2008 TO PAY MAYFIELD GENTRY'S JANUARY, 2008 MANAGEMENT FEES

THE BOARD DISBURSED THE SUM OF \$36,476.76 ON JANUARY 28, 2008 TO FUND MICHIGAN MUTUAL'S CAPITAL CALL

THE BOARD DISBURSED THE SUM OF \$180,015.89 ON JANUARY 28, 2008 TO FUND DUBLINS CAPITAL CALL

THE BOARD DISBURSED THE SUM OF \$10,024.33 ON JANUARY 29, 2008 TO REPAY THE GENERAL FUND FOR ADMINISTRATIVE EXPENSES

DISBURSEMENTS

**THE BOARD DISBURSED THE SUM OF \$723,592.24 ON JANUARY 29, 2008 -
REFUND LIST NUMBER 3265**

**THE BOARD DISBURSED THE SUM OF \$16,248,543.54 ON JANUARY 29, 2008 -
RETIRED PAYROLL - DIRECT DEPOSIT FOR JANUARY, 2008**

**THE BOARD DISBURSED THE SUM OF \$2,593.75 ON JANUARY 29, 2008 TO PAY
HOWARD AND HOWARD'S LEGAL FEES REGARDING GSC PARTNERS**

**THE BOARD DISBURSED THE SUM OF \$17,218.18 ON JANUARY 29, 2008 TO PAY
LEGAL COUNSEL'S (RONALD ZAJAC) JANUARY, 2008 LEGAL FEES**

**THE BOARD DISBURSED THE SUM OF \$1,220.00 ON JANUARY 29, 2008 TO PAY
THE BOARD'S MEDICAL DIRECTOR'S (REGINALD ONEAL) MEDICAL FEES**

**THE BOARD DISBURSED THE SUM OF \$1,250,000.00 ON JANUARY 30, 2008 TO
FUND GVC/MCTEVIA**

**THE BOARD DISBURSED THE SUM OF \$18,401.79 ON JANUARY 31, 2008 TO FUND
STAFF PAYROLL FOR JANUARY, 2008**

**THE BOARD DISBURSED THE SUM OF \$3,012,246.66 ON FEBRUARY 1, 2008 -
RETIRED PAYROLL - CHECKS - JANUARY, 2008**

**THE BOARD DISBURSED THE SUM OF \$32,301.88 ON FEBRUARY 1, 2008 TO
REIMBURSE COUZENS LANSKY - GVC NETWORKS**

**THE BOARD DISBURSED THE SUM OF \$40,622.69 ON FEBRUARY 1, 2008 TO
REIMBURSE MCTEVIA AND ASSOCIATES - GVC NETWORKS**

DISBURSEMENTS

THE BOARD DISBURSED THE SUM OF \$52,784.53 ON FEBRUARY 1, 2008 TO PAY IT PROGRAMMERS' JANUARY, 2008 FEES

THE BOARD DISBURSED THE SUM OF \$9,033.18 ON FEBRUARY 5, 2008 TO REIMBURSE THE GENERAL FUND FOR CHECK-WRITE EXPENSES

THE BOARD DISBURSED THE SUM OF \$402.59 ON JANUARY 29, 2008 TO REPLENISH THE BOARD'S PETTY CASH ACCOUNT

TOTAL DISBURSEMENTS: \$24,433,943.20

RECEIPTS

THE BOARD RECEIVED THE SUM OF \$56,621.16 ON JANUARY 23, 2008 FROM BEHRINGER'S HARVARD RET - DECEMBER, 2007 DISTRIBUTION

THE BOARD RECEIVED THE SUM OF \$91,780.00 ON JANUARY 23, 2008 FROM LIGHTSTONE'S VALUE PLUS - 2007 FOURTH QUARTER DISTRIBUTION

THE BOARD RECEIVED THE SUM OF \$102,503.57 ON JANUARY 25, 2008 FROM THE GENERAL FUND - WEEKLY ANNUITY CONTRIBUTION

THE BOARD RECEIVED THE SUM OF \$551,447.54 ON JANUARY 25, 2007 FROM MAYFIELD GENTRY - DECEMBER, 2007 REMITTANCE

THE BOARD RECEIVED THE SUM OF \$246,386.00 ON JANUARY 29, 2008 FROM LIBERTY MUTUAL'S ENERGY III FUND

RECEIPTS

THE BOARD RECEIVED THE SUM OF \$279.15 ON JANUARY 30, 2008 FROM THE GENERAL SYSTEM - REIMBURSEMENT - FITNEY BOWES CONTRACT CANCELLATION

THE BOARD RECEIVED THE SUM OF \$604,219.00 ON JANUARY 30, 2008 FROM LIBERTY LIFE'S CV-USPF II

THE BOARD RECEIVED THE SUM OF \$77,500.00 ON JANUARY 30, 2008 FROM TRADEWIND AIRLINES - DUE DILIGENCE

THE BOARD RECEIVED THE SUM OF \$286,848.14 ON JANUARY 31, 2008 FROM RREEF

THE BOARD RECEIVED THE SUM OF \$408,000.00 ON JANUARY 31, 2008 FROM CAPRI SELECT INCOME

THE BOARD RECEIVED THE SUM OF \$301,032.31 ON FEBRUARY 1, 2008 FROM THE GENERAL FUND - WEEKLY ANNUITY CONTRIBUTION

THE BOARD RECEIVED THE SUM OF \$51,558.86 ON FEBRUARY 5, 2008 FROM AERC GEORGIA VENTURES - ADDITIONAL DISTRIBUTION

THE BOARD RECEIVED THE SUM OF \$334.62 ON JANUARY 23, 2008 FROM ABEL NOSER - DECEMBER, 2007 COMMISSION RECAPTURE

THE BOARD RECEIVED THE SUM OF \$30.00 ON JANUARY 23, 2008 FROM LEONARD AND STAFFORD - EXPRESS MAIL FEE

THE BOARD RECEIVED THE SUM OF \$4,379.40 ON JANUARY 31, 2008 FROM MARLOW MILLS - MILITARY SERVICE CREDIT PURCHASE DOWN PAYMENT

RECEIPTS

TOTAL RECEIPTS: \$2,882,919.75

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 #3266, IN THE AMOUNT OF **\$1,025,474.42**, INCLUDING INTEREST, BE REFUNDED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

Yeas – Trustees Bandemer, Doyle, Orzech, Pegg, Stewart and
Chairman Best – 6

Nays – None

MINUTES OF THURSDAY, JANUARY 17, 2008

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

RESOLVED, THAT THE MINUTES OF THE MEETING HELD THURSDAY, **JANUARY 17, 2008** BE APPROVED AS RECORDED AND SUBMITTED BY THE BOARD'S RECORDING SECRETARY:

Yeas – Trustees Bandemer, Doyle, Orzech, Pegg, Stewart and
Chairman Best – 6

Nays – None

BILL PAYMENT REQUESTS

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

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

WHEREAS, THE BOARD IS SATISFIED THAT 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

ADP – JANUARY 25, 2008 - \$99.15 – POLICE AND FIRE PORTION OF \$198.30 – SUPPLIES

ADP – JANUARY 18, 2008 - \$103.33 – POLICE AND FIRE PORTION OF \$206.66 – SUPPLIES

ADVENT – JANUARY 18, 2008 - \$87,037.03 – 2007 FOURTH QUARTER FEES

BLACKROCK – JANUARY 22, 2008 - \$21,815.00 – 2007 FOURTH QUARTER FEES

CHA HOELZLE ASSOCIATES – JANUARY 28, 2008 - \$510.16 – POLICE AND FIRE PORTION OF \$1,020.32 – SUPPLIES

CHICAGO EQUITY PARTNERS – JANUARY 22, 2008 - \$93,435.80 – 2007 FOURTH QUARTER FEES

BILL PAYMENT REQUESTS

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

CLARK HILL – JANUARY 15, 2008 - \$26,893.74 – LEGAL SERVICES –
(MISCELLANEOUS: \$4,168.80 – DROP PROGRAM: \$1,335.75 -
EDS: \$22,389.19)

COMERICA BANK – UNDATED - \$62.50 – 2007 FOURTH QUARTER
SERVICES

COUZENS, LANSKY – FEBRUARY 1, 2008 - \$32,301.88 – DECEMBER,
2007 AND JANUARY, 2008 SERVICES – GVC NETWORKS

DELL MARKETING – NOVEMBER 29, 2007 - \$803.08 – POLICE AND
FIRE PORTION OF \$1,606.16 – SUPPLIES

EARNEST PARTNERS – JANUARY 31, 2008 - \$68,677.52 – 2007
FOURTH QUARTER FEES

ELECTRONIC SECURITY SYSTEMS, INC. – JANUARY 23, 2008 -
\$140.95 – POLICE AND FIRE PORTION OF \$281.89 – LOCKSMITH
LABOR

EVERGREEN INVESTMENTS – JANUARY 14, 2008 - \$172,114.22 –
2007 FOURTH QUARTER FEES

FISHER INVESTMENTS – JANUARY 11, 2008 - \$164,610.15 – 2007
FOURTH QUARTER FEES

FORMS TRAC – JANUARY 25, 2008 - \$149.60 – POLICE AND FIRE
PORTION OF \$299.20 – PRINTING COSTS

GABRIEL, ROEDER, SMITH & COMPANY – FEBRUARY 1, 2008 -
\$4,700.00 – FEBRUARY, 2008 ACTUARIAL SERVICES

BILL PAYMENT REQUESTS

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

GRAPHIC SCIENCES – JANUARY 21, 2008 - \$3,597.50 – POLICE AND FIRE PORTION OF \$7,195.00 – CONTRACT/MISCELLANEOUS SERVICES

HARLAND TECHNOLOGY – JANUARY 22, 2008 - \$445.24 – POLICE AND FIRE PORTION OF \$890.48 – SUPPLIES

IKON OFFICE SOLUTIONS – JANUARY 15, 2008 - \$171.74 – POLICE AND FIRE PORTION OF \$343.48 – SUPPLIES

INDEPENDENCE – JANUARY 17, 2008 - \$17,280.08 – 2007 FOURTH QUARTER FEES

INCOME, RESEARCH & MANAGEMENT – UNDATED - \$41,927.73 – 2007 FOURTH QUARTER FEES

INTERLINK ELECTRONICS – JANUARY 25, 2008 - \$321.50 – POLICE AND FIRE PORTION OF \$643.00 – SUPPLIES

IRON MOUNTAIN – JANUARY 31, 2008 - \$723.91 – POLICE AND FIRE PORTION OF \$1,447.81 – SUPPLIES

IRON MOUNTAIN – JANUARY 31, 2008 - \$182.88 – POLICE AND FIRE PORTION OF \$365.75 – SUPPLIES

IT – FEBRUARY 5, 2008 - \$53,045.87 – POLICE AND FIRE PORTION OF \$110,177.79 – COMPUTER PROGRAMMERS' JANUARY, 2008 FEES

LOOMIS, SAYLES & COMPANY – JANUARY 11, 2008 - \$47,450.60 – 2007 FOURTH QUARTER FEES

BILL PAYMENT REQUESTS

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

MCTEVIA & ASSOCIATES – JANUARY 28, 2008 - \$11,582.89 –
POLICE AND FIRE PORTION OF \$23,165.77 – JANUARY, 2008
CONSULTING FEES – GVC NETWORKS

MCTEVIA & ASSOCIATES – JANUARY 21, 2008 - \$8,728.46 –
POLICE AND FIRE PORTION OF \$17,456.92 – JANUARY, 2008
CONSULTING FEES – GVC NETWORKS

NORTH POINT ADVISORS – FEBRUARY 4, 2008 - \$14,000.00 – DOTT
INDUSTRIES DUE DILIGENCE FEE

NORTH POINTE CAPITAL – JANUARY 28, 2008 - \$133,712.81 – 2007
FOURTH QUARTER FEES

OFFICE DEPOT – JANUARY 14, 2008 - \$251.46 – POLICE AND FIRE
PORTION OF \$502.92 – SUPPLIES

OPPENHEIMER – JANUARY 17, 2008 - \$196,192.09 – 2007 FOURTH
QUARTER FEEW

PENN CAPITAL – JANUARY 16, 2008 - \$69,011.43 – 2007 FOURTH
QUARTER FEES

PRUDENTIAL FINANCIAL – JANUARY 22, 2008 - \$14,630.56 – 2007
FOURTH QUARTER FEES

PUGH CAPITAL – JANUARY 18, 2008 - \$40,657.43 – 2007 FOURTH
QUARTER FEES

TECH DEPOT – JANUARY 8, 2008 - \$938.53 – POLICE AND FIRE
PORTION OF \$1,877.04 – SUPPLIES

BILL PAYMENT REQUESTS

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

THE EVALUATION GROUP – AUGUST 8, 2007 - \$1,448.75 –
GREGORY DAVIS/KEVIN FOSTER EXAMS

TT INTERNATIONAL – JANUARY 30, 2008 - \$184,078.56 – 2007
FOURTH QUARTER FEES

WELLS FARGO – JANUARY 17, 2008 - \$124,899.46 – 2007 FOURTH
QUARTER FEES – ACCOUNT ND-20931801

WELLS FARGO – JANUARY 28, 2008 - \$182,049.95 – 2007 FOURTH
QUARTER FEES – ACCOUNT 18630700

XJJ COMPANY – FEBRUARY 5, 2008 - \$18,401.79 – POLICE AND
FIRE PORTION OF \$36,803.58 – JANUARY, 2008 EMPLOYEE
PAYROLL

Yeas – Trustees Bandemer, Doyle, Orzech, Pegg, Stewart and
Chairman Best – 6

Nays – None

Pre-Employment Military Service Credit

By Mr. Bandemer – Supported by Mr. Stewart

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

Pre-Employment Military Service Credit

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

Bradley James Donegan – Police Department

Yeas – Trustees Bandemer, Doyle, Orzech, Pegg, Stewart and
Chairman Best – 6

Nays – None

Request of Timothy J. Monti

By Mr. Bandemer – Supported by Mr. Stewart

Whereas, Timothy J. Monti has presented the Board with a December 21, 2007 request to receive a refund of the military service credit he purchased (in excess of 35 years), Therefore Be It

Resolved, That the request of Mr. Monti is hereby approved:

Yeas – Trustees Bandemer, Doyle, Orzech, Pegg, Stewart and
Chairman Best – 6

Nays – None

TRUSTEE ROSE-COLLINS ENTERED THE MEETING.

TRUSTEE FREEMAN ENTERED THE MEETING.

DOUGLAS DAVIS
PERSONAL SERVICES CONTRACT
COMPUTER CONSULTANT CONTRACT ADDENDUM

BY MR. ORZECH – SUPPORTED BY MR. BANDEMER

RESOLVED, THAT THE BOARD'S CONTRACT ADDENDUM (ADDENDUM TO AGREEMENT DATED MARCH 1, 1999 – AMENDMENT NO. 3) WITH **DOUGLAS DAVIS** BE APPROVED FOR THE PERIOD BEGINNING **MARCH 1, 2008** AND TERMINATING **FEBRUARY 28, 2009** AT THE HOURLY RATE SO SPECIFIED IN SAID CONTRACT ADDENDUM, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO MR. DAVIS AND RETIREMENT SYSTEM ACCOUNTING STAFF:

Yeas – Trustees Bandemer, Collins, Doyle, Freeman, Orzech, Pegg, Stewart and Chairman Best – 8

Nays – None

BRIDGETT HARDY
PERSONAL SERVICES CONTRACT
COMPUTER CONSULTANT CONTRACT ADDENDUM

BY MR. ORZECH – SUPPORTED BY MR. BANDEMER

RESOLVED, THAT THE BOARD'S CONTRACT ADDENDUM (ADDENDUM TO AGREEMENT DATED DECEMBER 10, 1997 – AMENDMENT NO. 3) WITH **BRIDGETT HARDY** BE APPROVED FOR THE PERIOD BEGINNING FEBRUARY 1, 2008 AND TERMINATING JANUARY 31, 2009 AT THE HOURLY RATE SO SPECIFIED IN SAID CONTRACT ADDENDUM, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO MS. HARDY AND RETIREMENT SYSTEM ACCOUNTING STAFF:

BRIDGETT HARDY
PERSONAL SERVICES CONTRACT
COMPUTER CONSULTANT CONTRACT ADDENDUM

Yeas – Trustees Bandemer, Collins, Doyle, Freeman, Orzech, Pegg,
Stewart and Chairman Best – 8

Nays – None

LEGAL COUNSEL'S REPORTS

LEGAL COUNSEL RONALD ZAJAC DISCUSSED VARIOUS MATTERS WITH THE BOARD, INCLUDING FINCH ASSET MANAGEMENT, PARADIGM ASSET MANAGEMENT, AMBAC FINANCIAL GROUP, INC., MBIA, INC., LENATURE'S, VERIFONE HOLDINGS, YAHOO, PFRS ONE DETROIT CENTER, LLC, RDD OPERATIONS, LLC, PFRS WASHINGTON PLAZA, LLC AND PFRS WEST ADAMS, LLC.

PFRS ONE DETROIT CENTER, LLC

THE BOARD WAS MADE AWARE OF THE EXECUTION OF A MICHIGAN 2008 LIMITED LIABILITY COMPANY ANNUAL STATEMENT (DATED JANUARY 31, 2008) BY A MANAGER OF THE COMPANY.

PFRS WASHINGTON PLAZA, LLC

THE BOARD WAS MADE AWARE OF THE EXECUTION OF A MICHIGAN 2008 LIMITED LIABILITY COMPANY ANNUAL STATEMENT (DATED JANUARY 31, 2008) BY A MANAGER OF THE COMPANY.

RDD OPERATIONS, LLC

THE BOARD WAS MADE AWARE OF THE EXECUTION OF A 2007 ANNUAL REPORT OF RDD OPERATIONS, LLC (DATED JANUARY 31, 2008) BY THE MANAGER OF THE LIMITED LIABILITY COMPANY.

PFRS WEST ADAMS, LLC

THE BOARD WAS MADE AWARE OF THE EXECUTION OF A 2007 ANNUAL REPORT OF PFRS WEST ADAMS, LLC (DATED JANUARY 31, 2008) BY AN OFFICER OF PF FUND MUTUAL BUILDING, INC., THE SOLE MEMBER OF THE LIMITED LIABILITY COMPANY.

AMBAC FINANCIAL GROUP, INC.

BY MR. ORZECH – SUPPORTED BY MR. DOYLE

WHEREAS, THE POLICE AND FIRE RETIREMENT SYSTEM HAS INCURRED APPROXIMATELY \$250,000.00 IN LOSSES DUE TO ITS INVESTMENT IN AMBAC FINANCIAL GROUP, INC.

WHEREAS, KOHN, SWIFT AND GRAF, P.C. HAS REPORTED TO THE BOARD REGARDING THEIR ANALYSIS OF THE MERITS OF A CASE AGAINST AMBAC FINANCIAL GROUP, INC., AND

WHEREAS, KOHN, SWIFT AND GRAF, P.C. HAS INQUIRED WHETHER THE RETIREMENT SYSTEM IS INTERESTED IN FILING A DERIVATIVE CASE ON BEHALF OF AMBAC, AND

WHEREAS, THE BOARD HAS DISCUSSED THIS MATTER, AND

WHEREAS, THE BOARD DEEMS IT APPROPRIATE TO FILE A DERIVATIVE CASE ON BEHALF OF AMBAC TO RECOVER LOSSES INCURRED BY THE SYSTEM, THEREFORE BE IT

RESOLVED, THAT THE BOARD FILE A DERIVATIVE CASE ON BEHALF OF AMBAC REGARDING THIS MATTER, AND BE IT FURTHER

RESOLVED, THAT KOHN, SWIFT AND GRAF, P.C. BE RETAINED TO REPRESENT THE SYSTEM REGARDING THIS MATTER, SUBJECT TO AGREEMENT REGARDING PRIOR TERMS OF RETENTION IN CLASS ACTION MATTERS, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO KOHN, SWIFT AND GRAF, P.C.:

Yeas – Trustees Bandemer, Collins, Doyle, Freeman, Orzech, Pegg, Stewart and Chairman Best – 8

Nays – None

MBIA, INC.

BY MR. ORZECH – SUPPORTED BY MR. DOYLE

WHEREAS, THE POLICE AND FIRE RETIREMENT SYSTEM HAS INCURRED APPROXIMATELY \$250,000.00 IN LOSSES DUE TO ITS INVESTMENT IN MBIA, INC., AND

WHEREAS, KOHN, SWIFT AND GRAF, P.C. HAS REPORTED TO THE BOARD REGARDING THEIR ANALYSIS OF THE MERITS OF A CASE AGAINST MBIA, INC. AND

WHEREAS, KOHN, SWIFT AND GRAF, P.C. HAS INQUIRED WHETHER THE RETIREMENT SYSTEM IS INTERESTED IN FILING A DERIVATIVE CASE ON BEHALF OF MBIA, AND

WHEREAS, THE BOARD HAS DISCUSSED THIS MATTER, AND

WHEREAS, THE BOARD DEEMS IT APPROPRIATE TO FILE A DERIVATIVE CASE ON BEHALF OF MBIA TO RECOVER LOSSES INCURRED BY THE SYSTEM, THEREFORE BE IT

RESOLVED, THAT THE BOARD FILE A DERIVATIVE CASE ON BEHALF OF MBIA REGARDING THIS MATTER, AND BE IT FURTHER

RESOLVED, THAT KOHN, SWIFT AND GRAF, P.C. BE RETAINED TO REPRESENT THE SYSTEM REGARDING THIS MATTER, SUBJECT TO AGREEMENT REGARDING PRIOR TERMS OF RETENTION IN CLASS ACTION MATTERS, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO KOHN, SWIFT AND GRAF, P.C.:

Yeas – Trustees Bandemer, Collins, Doyle, Freeman, Orzech, Pegg, Stewart and Chairman Best – 8

Nays – None

TRUSTEE MOORE ENTERED THE MEETING.

CLOSED SESSION

BY MR. MOORE – 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, Collins, Doyle, Freeman, Moore, Orzech, Pegg, Stewart and Chairman Best – 9

Nays – None

The Board entered into Closed Session at 9:40 A.M.

OPEN SESSION

BY MR. BANDEMER – SUPPORTED BY MR. MOORE

Resolved, That the Board return to Open Session:

A Roll Call Vote was taken as follows:

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

Nays – None

The Board returned to Open Session at 9:50 A.M.

MMA FINANCIAL

TRUSTEE MILTON ENTERED THE MEETING.

MMA FINANCIAL

PAUL BERNARD, THOMAS ZDRODOWSKI AND JEANINE HILL APPEARED BEFORE THE BOARD AND DISCUSSED THE SHEFFIELD AND MMA'S GROUP TRUST REIT.

TRUSTEE BEASLEY ENTERED THE MEETING DURING MMA'S DISCUSSION.

HAVING CONCLUDED THEIR DISCUSSION, THE BOARD EXCUSED MESSRS. BERNARD AND ZDRODOWSKI AND MS. HILL.

TOUCHSTONE

THE BOARD'S INVESTMENT ANALYST, RICK HUDDLESTON, JOINED THE BOARD IN LISTENING TO GERALD TIMMIS AND TWO ASSOCIATES DISCUSS UBS'/MILLER AND JACOBS' ACADIA CLO FUND.

THE BOARD THEN EXCUSED MR. TIMMIS AND HIS ASSOCIATES.

GUIDANCE CAPITAL

ADRIAN ANDERSON JOINED THE BOARD IN LISTENING TO PAUL MESKIEWICZ AND TWO ASSOCIATES DISCUSS GUIDANCE'S ENHANCED GREEN TERRAIN FUND.

THE BOARD THEN EXCUSED MR. MESKIEWICZ AND HIS ASSOCIATES.

BANYAN REALTY MANAGEMENT

LOU VOGT APPEARED BEFORE THE BOARD, DISCUSSED TAX CREDITS, TRANS-CAPITAL AND TCR AFFORDABLE PORTFOLIO AND THEN EXCUSED HIMSELF.

BANYAN REALTY MANAGEMENT
TCR AFFORDABLE PORTFOLIO

BY MR. BANDEMER – SUPPORTED BY MR. DOYLE

Whereas, The Board has been presented with an investment proposal from **Banyan Realty Management** (TCR Affordable Portfolio), and

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

Resolved, That subject Banyan Realty Management agreeing to pay the costs for said due diligence and said funds being escrowed by Banyan Realty Management with the Retirement System, **Marie Racine & Associates** 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, 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 Banyan Realty Management, Marie Racine & Associates and the Accounting Division of the Retirement System:

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

Nays – None

MMA REALTY CAPITAL
THE SHEFFIELD

BY MR. BANDEMER – SUPPORTED BY MR. ORZECH

WHEREAS, THE BOARD IS IN RECEIPT OF A FEBRUARY 6, 2008 COMMUNICATION/REPORT FROM MMA REALTY CAPITAL REQUESTING THE CONSENT OF THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT TO MODIFY THE LOAN DOCUMENTS AND ALLOW THE BORROWER TO FUND THE SHORT-FALL IN THE RESERVES BY UTILIZING THE PROCEEDS OF PENDING SALES OF CONDOMINIUM UNITS INSTEAD OF BORROWER ADVANCING THE SHORT-FALL IN THE RESERVES, AND

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

RESOLVED, THAT THE BOARD APPROVES THE FOREGOING REQUEST, AND BE IT FURTHER

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

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

Nays – None

MAYFIELD GENTRY REALTY ADVISORS, LLC
CROSSROADS OFFICE PLAZA
CARY NORTH CAROLINA

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

WHEREAS, THE BOARD IS IN RECEIPT OF A FEBRUARY 7, 2008 REQUEST FROM MAYFIELD GENTRY REALTY ADVISORS, LLC FOR FUNDING \$5,572,500.00, PARTIAL PAYMENT REGARDING THE PURCHASE OF THE CROSS ROADS OFFICE PLAZA IN CARY, NORTH CAROLINA, IN THE AMOUNT OF \$29,500,000.00 AS A REPLACEMENT FOR THE NOW-CANCELLED PURCHASE OF THE AMERICAN EXPRESS II, PHOENIX, ARIZONA PROPERTY IN THE AMOUNT OF \$29,000,000.00, AND

WHEREAS, THE BOARD HAS DISCUSSED THE REQUEST OF MAYFIELD GENTRY REALTY ADVISORS, LLC, THEREFORE BE IT

RESOLVED, THAT THE REQUEST, CONSISTENT WITH MAYFIELD GENTRY'S FEBRUARY 7, 2008 LETTER FOR (PARTIAL) FUNDING IN THE AMOUNT OF \$5,572,500.00, IS APPROVED SUBJECT TO THE USUAL PROCEDURES AND REQUIREMENTS REGARDING WIRE TRANSFERS, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO MAYFIELD GENTRY AND THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEM:

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

Nays – None

IN REMEMBRANCE OF JOSEPH TORKOS

THE BOARD SAT SILENTLY FOR SEVERAL MOMENTS REMEMBERING **JOSEPH TORKOS** WHO LOST HIS LIFE LAST YEAR WHILE RESPONDING TO A FIRE EMERGENCY.

INVESSCOR, LTD.

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

RESOLVED, THAT MIKE LEIBOWITZ AND ANY ASSOCIATES OF HIS CHOOSING BE REQUESTED TO APPEAR BEFORE THE BOARD FOR PRESENTATION PURPOSES (BROKER/DEALER SERVICES):

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

Nays – None

NORTH POINT ADVISORS

ADRIAN ANDERSON DISCUSSED, AMONG OTHER MATTERS, EMERGING MANAGERS AND TRADE WIND AIRLINES WITH THE BOARD.

LENATURE'S, INC.

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

WHEREAS, THE BOARD IS IN RECEIPT OF A MARCH 1, 2007 COMMUNICATION FROM TRIAL LAWYERS QUINN EMANUEL REQUESTING THE BOARD TO RETAIN SAID LAW FIRM AS PLAINTIFF'S COUNSEL IN THE PROSECUTION OF CLAIMS RELATING TO THE RETIREMENT SYSTEM'S PURCHASE OF 9% LENATURE'S NOTES ISSUED IN JUNE OF 2003, AND

LENATURE'S, INC.

WHEREAS, THE PROPOSED FEE AGREEMENT IS A CONTINGENCY AGREEMENT WHICH PROVIDES FOR PLAINTIFFS PAYING PRO-RATA (PER OWNERSHIP OF THE NOTES), AND

WHEREAS, IT IS ANTICIPATED, BASED ON PRELIMINARY INFORMATION, THAT THE PROJECTED LEGAL COSTS, CONTRIBUTIONS BY THE RETIREMENT SYSTEM, WILL NOT EXCEED \$10,000.00, THEREFORE BE IT

RESOLVED, THAT THE BOARD APPROVES THE RETIREMENT SYSTEM BEING A PLAINTIFF IN LITIGATION TO RECOVER ITS LOSSES, RE: THE LENATURE'S NOTES, SUBJECT TO CONFIRMATION FROM QUINN EMANUEL REGARDING PROJECTED LEGAL COSTS, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO QUINN EMANUEL AND RETIREMENT SYSTEM ACCOUNTING STAFF:

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

Nays – None

TRADE WIND AIRLINES

BY MR. MILTON – SUPPORTED BY MS. COLLINS

WHEREAS, On January 16, 2008 the Board of Trustees of the Police and Fire Retirement System of the City of Detroit (the "Board") approved a term sheet and the recommendation of Adrian Anderson of North Point Advisors (the Board's Advisor)

TRADE WIND AIRLINES

for an on-site appraisal of the aircraft and engines as part of the due diligence process, and

WHEREAS, On February 6, 2008 the Board's Advisor submitted a letter to the Board which discussed, inter alia, the industry standard for appraisals in aircraft/airline lender financing transactions and recommended that the Board approve a desktop appraisal to consummate the transaction by the end of the month, and

WHEREAS, The industry standard is to perform a desk top appraisal as part of the due diligence process involving an aircraft/airline lender financing transaction, Therefore Be It

RESOLVED, That the Board (i) accepts the Board's Advisor's recommendation, and (ii) authorizes the Board Advisor to obtain a desk top appraisal as part of the due diligence process, and be it further

RESOLVED, That a copy of this resolution be forwarded to Trade Wind Airlines, Watkins Aviation, North Point Advisors (the Board's Advisor), Clark Hill (the Board's Special Legal Counsel) and the Accounting Division of the Retirement System:

Yeas – Trustees Bandemer, Beasley, Collins, Doyle, Freeman, Milton, Moore, Pegg and Stewart – 9

Nays – Trustees Orzech and Chairman Best – 2

PUBLIC FORUM

AT 1:40 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 **1:45 P.M.** UNTIL THURSDAY, **FEBRUARY 14, 2008** 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