

MEETING NUMBER 2710

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



PROCEEDINGS HELD THURSDAY, DECEMBER 4, 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/Chairperson
Barbara-Rose Collins	Ex/Officio Trustee/Councilperson
Jamie Fields	Ex/Officio Trustee
Heather Johnson	Ex/Officio Trustee
James Moore	Elected Trustee
Timothy Ngare	Ex/Officio Trustee/Treasurer
George Orzech	Elected Trustee
Jeffrey Pegg	Elected Trustee/Vice Chairperson
Tyrone Scott	Ex/Officio Trustee/Fire Commissioner
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
Richard Huddleston	Investment Analyst

EXCUSED

Gregory Best	Elected Trustee
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ABSENT

None

**CHAIRPERSON**

**Marty Bandemer**

**VICE CHAIRPERSON**

**Jeffrey Pegg**

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

**CAPITAL CALLS/DRAWS**

**BY MR. SCOTT – SUPPORTED BY MR. PEGG**

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:

INSIGHT 2811 TECHNOLOGY GP, LLC – NOVEMBER 26, 2008 - \$1,500,000.00  
– INSIGHT TECHNOLOGY ENTREPRENEUR FUND, L.P.

SYNDICATED COMMUNICATIONS – DECEMBER 2, 2008 - \$136,153.00 –  
SYNDICATED COMMUNICATIONS VENTURE PARTNERS V, L.P.

YEAS – TRUSTEES COLLINS, FIELDS, JOHNSON, MOORE, NGARE, ORZECH,  
PEGG, SCOTT, STEWART AND CHAIRMAN BANDEMER – 10

NAYS – NONE

CONFIRMATIONS

BY MR. STEWART – SUPPORTED BY MR. PEGG

RESOLVED, THAT THE RECEIPTS (**\$3,384,031.19**) AND DISBURSEMENTS (**\$21,652,978.13**) WHICH ARE REFERENCED AT THE END OF THESE PROCEEDINGS BE CONFIRMED:

YEAS – TRUSTEES COLLINS, FIELDS, JOHNSON, MOORE, NGARE, ORZECH, PEGG, SCOTT, STEWART AND CHAIRMAN BANDEMER – 10

NAYS – NONE

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY MR. STEWART – SUPPORTED BY MR. PEGG

RESOLVED, THAT THE CONTRIBUTIONS (INCLUDING INTEREST) TO THE ANNUITY SAVINGS FUND BY MEMBERS OF THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT BE REFUNDED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

LIST NUMBER: **3296**

REFUND AMOUNT: **\$299,278.12**

YEAS – TRUSTEES COLLINS, FIELDS, JOHNSON, MOORE, NGARE, ORZECH, PEGG, SCOTT, STEWART AND CHAIRMAN BANDEMER – 10

NAYS – NONE

MINUTES OF THURSDAY, NOVEMBER 13, 2008

BY MR. ORZECH – SUPPORTED BY MR. SCOTT

RESOLVED, THAT THE MINUTES OF THE MEETING HELD THURSDAY, NOVEMBER 13, 2008 BE APPROVED AS RECORDED AND SUBMITTED BY THE BOARD'S RECORDING SECRETARY:

MINUTES OF THURSDAY, NOVEMBER 13, 2008

YEAS – TRUSTEES COLLINS, FIELDS, JOHNSON, MOORE, NGARE, ORZECH,  
PEGG, SCOTT, STEWART AND CHAIRMAN BANDEMER – 10

NAYS – NONE

Police and Fire Retirement System of the City of Detroit  
Pre-Employment Military Service Credit

By Mr. Stewart  
Supported by Mr. Scott

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

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

Name: Steven L. Sosa  
Title: Officer  
Department: Police  
Collective Bargaining Unit: DPOA  
U.S. Military Service Period: January 24, 1977 – January 23, 1980

YEAS – TRUSTEES COLLINS, FIELDS, JOHNSON, MOORE, NGARE, ORZECH,  
PEGG, SCOTT, STEWART AND CHAIRMAN BANDEMER – 10

NAYS – NONE

MUNROS

AT THE DIRECTION OF THE CHAIR, MUNRO'S REPRESENTATIVES, PER MUNRO'S REQUEST, WILL BE REQUESTED TO APPEAR BEFORE THE BOARD IN JANUARY, 2009 TO DISCUSS VARIOUS ISSUES, INCLUDING PERFORMANCE.

THE REQUEST OF LAWRENCE RUCKER

BY MR. ORZECH  
SUPPORTED BY MR. STEWART

WHEREAS, LAWRENCE J. RUCKER, PER DECEMBER 3, 2008 WRITTEN COMMUNICATION, REQUESTS TO MEET WITH THE BOARD OF TRUSTEES REGARDING THE BOARD'S OCTOBER 16, 2008 DENIAL OF HIS REQUEST TO HAVE HIS EARLY RETIREMENT CHANGED TO A DUTY DISABILITY RETIREMENT, AS WELL AS THE BOARD'S NOVEMBER 20, 2008 DENIAL OF HIS REQUEST TO HAVE HIS EARLY RETIREMENT CHANGED TO A DUTY DISABILITY RETIREMENT, AND

WHEREAS, THE BOARD HAS DISCUSSED THE REQUEST OF MR. RUCKER, THEREFORE BE IT

RESOLVED, THAT THE REQUEST OF MR. RUCKER IS HEREBY DENIED, AND BE IT FURTHER

RESOLVED, THAT THE BOARD UPHOLDS ITS OCTOBER 16, 2008 AND NOVEMBER 20, 2008 DENIALS OF MR. RUCKER'S REQUEST TO HAVE HIS EARLY RETIREMENT CHANGED TO A DUTY DISABILITY RETIREMENT, AND BE IT FURTHER

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

YEAS – TRUSTEES COLLINS, FIELDS, JOHNSON, MOORE, NGARE, ORZECH, PEGG, SCOTT, STEWART AND CHAIRMAN BANDEMER – 10

NAYS – NONE

HRMS/INTERFACE

BY MR. ORZECH – SUPPORTED BY MR. PEGG

RESOLVED, THAT A DECEMBER 1, 2008 REQUEST FROM IT CONSULTANT DENNIS LINET THAT THE BOARD APPROVE FUNDING OF APPROXIMATELY \$240,000.00 (SAID COST TO BE SPLIT BETWEEN THE POLICE AND FIRE AND GENERAL RETIREMENT SYSTEMS) TO CREATE A TEMPORARY INTERFACE FOR ANNUITY DATA WITH HRMS BE TABLED:

HRMS/INTERFACE

YEAS – TRUSTEES COLLINS, FIELDS, JOHNSON, MOORE, NGARE, ORZECH,  
PEGG, SCOTT, STEWART AND CHAIRMAN BANDEMER – 10

NAYS – NONE

JUNE 30, 2008 AUDITED FINANCIAL STATEMENTS

BY MR. STEWART

RESOLVED, THAT PLANTE & MORAN REPRESENTATIVES BE REQUESTED TO  
APPEAR BEFORE THE BOARD DECEMBER 11, 2008 TO DISCUSS THE SYSTEM'S  
JUNE 30, 2008 AUDITED FINANCIAL STATEMENTS:

FOLLOWING DISCUSSION OF THE FOREGOING, TRUSTEE STEWART  
WITHDREW HIS MOTION.

LEGAL COUNSEL'S REPORTS

LEGAL COUNSEL RONALD ZAJAC DISCUSSED VARIOUS MATTERS WITH THE  
BOARD, INCLUDING DRS HOLDINGS, INC., THE TRIZETTO GROUP, INC.,  
MCDERMOTT INTERNATIONAL, INC. SECURITIES LITIGATION, TRADE WINDS  
AIRLINES, INC., MAYFIELD GENTRY'S GENESIS VALUE FUND, STEWARD REAL  
ESTATE PARTNERS FUND I, L.P., YOUNG VERSUS YOUNG, THE GRACE CASE,  
AND THE FOIA REQUESTS OF THE DETROIT FREE PRESS.

DRS HOLDINGS, INC.: DISSOLUTION

BY MR. MOORE – SUPPORTED BY MR. SCOTT

**WHEREAS**, the Police and Fire Retirement System is a 50% shareholder of  
the corporation,

**WHEREAS**, the Board has been requested to authorize the execution of (i)  
a Certificate of Dissolution, (ii) a Tax Clearance Request for Corporation  
Dissolution or Withdrawal, and (iii) a Limited Power of Attorney  
Authorization for Disclosure of Information for Tax Clearance Purposes  
Only, dated December 4, 2008, by an officer of the corporation,

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

DRS HOLDINGS, INC.: DISSOLUTION

**WHEREAS**, the execution of said documents has been reviewed and approved as to form by the Board's legal counsel, and be it further

**RESOLVED**, that said documents be executed by the appropriate corporate officers on behalf of the corporation, and be it further

RESOLVED, that Retirement System Accounting staff retain a copy of said executed documents:

YEAS – TRUSTEES COLLINS, FIELDS, JOHNSON, MOORE, NGARE, ORZECZ,  
PEGG, SCOTT, STEWART AND CHAIRMAN BANDEMER – 10

NAYS – NONE

DETROIT FREE PRESS FOIA REQUEST, RE: THE SYSTEM'S FUND MANAGERS

LEGAL COUNSEL PROVIDED EACH MEMBER OF THE BOARD WITH A COPY OF A NOVEMBER 26, 2008 COMMUNICATION TO JENNIFER DIXON OF THE DETROIT FREE PRESS REGARDING THE ABOVE-CAPTIONED MATTER.

DETROIT FREE PRESS FOIA REQUEST, RE: THE SYSTEM'S GENERAL COUNSEL

LEGAL COUNSEL PROVIDED EACH MEMBER OF THE BOARD WITH A COPY OF A NOVEMBER 26, 2008 COMMUNICATION TO HERSCHEL FINK OF HONIGMAN, MILLER, SCHWARTZ & COHN, LLP REGARDING THE ABOVE-CAPTIONED MATTER.

MCDERMOTT INTERNATIONAL, INC. SECURITIES LITIGATION

LEGAL COUNSEL PROVIDED EACH MEMBER OF THE BOARD WITH A COPY OF A NOVEMBER 25, 2008 COMMUNICATION FROM SPECIAL COUNSEL BERNSTEIN, LITOWITZ, BERGER & GROSSMANN, LLP REGARDING THE ABOVE-CAPTIONED LITIGATION.

THE TRIZETTO GROUP, INC. SHAREHOLDER LITIGATION

LEGAL COUNSEL PROVIDED EACH MEMBER OF THE BOARD WITH A COPY OF A COPY OF A "STIPULATION AND AGREEMENT OF COMPROMISE, SETTLEMENT AND RELEASE" AND A NOVEMBER 25, 2008 COMMUNICATION FROM SPECIAL COUNSEL KOHN, SWIFT & GRAF, P.C. REGARDING THE ABOVE-CAPTIONED LITIGATION.

WATKINS AVIATION

LEGAL COUNSEL PROVIDED EACH BOARD MEMBER WITH A COPY OF “DEFENDANTS’ FIRST DOCUMENT REQUESTS TO PLAINTIFFS” REGARDING THE ABOVE-CAPTIONED LITIGATION.

YOUNG VERSUS YOUNG  
WAYNE COUNTY CASE NUMBER 06-628485-DM

BY MR. STEWART  
SUPPORTED BY MR. SCOTT

WHEREAS, THE BOARD IS IN RECEIPT OF A NOVEMBER 17, 2008 ELIGIBLE DOMESTIC RELATIONS ORDER WHICH SUPPLEMENTS A DECEMBER 14, 2006 JUDGMENT OF DIVORCE WHEREIN STEPHANIE A. YOUNG IS AWARDED CERTAIN RIGHTS TO THE DEFINED CONTRIBUTION PLAN BENEFITS OF KEITH D. YOUNG, HOWEVER, THE JUDGMENT OF DIVORCE AWARDS 50% OF PLAINTIFF’S PENSION (THEREFORE, DEFINED BENEFIT PLAN AND DEFINED CONTRIBUTION PLAN), AND

WHEREAS, THE BOARD NOTES THAT IF MR. YOUNG TERMINATES SERVICE PRIOR TO BEING VESTED, IN SUCH CASE, NEITHER ALTERNATE PAYEE NOR PARTICIPANT WOULD BE ELIGIBLE FOR ANY BENEFITS FROM THE DEFINED BENEFIT PLAN, AND

WHEREAS PARTICIPANT’S DATE OF BIRTH IS JANUARY 15, 1976, AND, TO DATE, PARTICIPANT HAS ATTAINED 07 YEARS AND 01 MONTH 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 ALTERNATE PAYEE IS ENTITLED TO CLAIM A PORTION OF PARTICIPANT’S DEFINED BENEFIT PLAN PER THE JUDGMENT OF DIVORCE IF PARTICIPANT BECOMES VESTED, 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, SUBJECT TO APPLICATION FOR SAME BEING MADE BY THE PARTY SEEKING PAYMENT, AND

YOUNG VERSUS YOUNG  
WAYNE COUNTY CASE NUMBER 06-628485-DM

WHEREAS, THE EARLIEST DATE THAT PAYMENTS FROM THE DEFINED BENEFIT PLAN CAN BE MADE TO THE PARTICIPANT OR ALTERNATE PAYEE IS UPON PARTICIPANT BECOMING ELIGIBLE TO RECEIVE 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, EXCEPT THAT IF PARTICIPANT BECOMES VESTED, THE EDRO IS NOT CONSISTENT WITH THE JUDGMENT OF DIVORCE, THEREFORE BE IT

RESOLVED THAT THE BOARD ACKNOWLEDGE RECEIPT OF SAID COURT ORDER AND **PAY** DEFINED CONTRIBUTION PLAN PENSION BENEFITS CONSISTENT WITH SAID COURT ORDER, SUBJECT TO APPLICATION BEING FILED BY THE PARTY SEEKING PAYMENT, BUT **NOT** PAY ANY DEFINED BENEFIT PLAN BENEFITS TO EITHER PARTY PENDING FURTHER COURT ORDER, A COPY OF THIS RESOLUTION BE IMMEDIATELY ATTACHED AS THE TOP SHEET OF THE PENSION FILE, OTHER APPROPRIATE RECORDS BE RETAINED BY THE RETIREMENT SYSTEM RELATIVE TO THIS MATTER, AND A COPY OF THIS RESOLUTION BE FORWARDED TO ATTORNEY HARVEY BECK, KEITH D. YOUNG AND STEPHANIE A. YOUNG:

YEAS – TRUSTEES COLLINS, FIELDS, JOHNSON, MOORE, NGARE, ORZECH,  
PEGG, SCOTT, STEWART AND CHAIRMAN BANDEMER – 10

NAYS – NONE

STEWART REAL ESTATE PARTNERS FUND I, L.P.

BY MR. ORZECH – SUPPORTED BY MR. PEGG

WHEREAS, THE BOARD HAS BEEN REQUESTED TO EXECUTE A "SECOND AMENDMENT TO THE AGREEMENT OF LIMITED PARTNERSHIP OF STEWARD REAL ESTATE PARTNERS FUND I, L.P." RELATIVE TO THE AFORESAID TRANSACTION, AND

STEWARD REAL ESTATE PARTNERS FUND I, L.P.

WHEREAS, THE EXECUTION OF SAID DOCUMENT(S) HAS BEEN RECOMMENDED BY STEWARD REAL ESTATE, AND

WHEREAS, THE EXECUTION OF SAID DOCUMENT(S) HAS BEEN REVIEWED AND APPROVED AS TO FORM BY THE BOARD'S GENERAL COUNSEL AND THE EXECUTION OF SAID DOCUMENT(S) IS CONSISTENT WITH PRIOR ACTION OF THE BOARD, THEREFORE BE IT

RESOLVED, THAT SAID DOCUMENT(S) BE EXECUTED BY TWO AUTHORIZED SIGNATORIES ON THE BOARD'S BEHALF, AND BE IT FURTHER

RESOLVED, THAT RETIREMENT SYSTEM ACCOUNTING STAFF RETAIN A COPY OF SAID EXECUTED DOCUMENT(S), AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO STEWARD REAL ESTATE, AND RETIREMENT SYSTEM ACCOUNTING STAFF:

YEAS – TRUSTEES COLLINS, FIELDS, JOHNSON, MOORE, NGARE, ORZECH, PEGG, SCOTT, STEWART AND CHAIRMAN BANDEMER – 10

NAYS – NONE

TRANSAMERICA

**DOUG MORRIS AND DERRICK BROWN** DISCUSSED PERFORMANCE AT LENGTH.

CLOSED SESSION

BY MR. STEWART – SUPPORTED BY MR. MOORE

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

A Roll Call Vote was taken as follows:

YEAS – TRUSTEES COLLINS, FIELDS, JOHNSON, MOORE, NGARE, ORZECH, PEGG, SCOTT, STEWART AND CHAIRMAN BANDEMER – 10

NAYS – NONE

CLOSED SESSION

The Board entered into Closed Session at 10:42 A.M.

OPEN SESSION

BY MR. STEWART – SUPPORTED BY MR. PEGG

Resolved, That the Board return to Open Session:

A Roll Call Vote was taken as follows:

YEAS – TRUSTEES COLLINS, FIELDS, JOHNSON, MOORE, NGARE, ORZECH,  
PEGG, SCOTT, STEWART AND CHAIRMAN BANDEMER – 10

NAYS – NONE

The Board returned to Open Session at 11:00 A.M.

TRADE WINDS AIRLINES, INC./RDD INVESTMENT CORPORATION

DURING CLOSED SESSION, SPECIAL LEGAL COUNSEL AND GENERAL COUNSEL DISCUSSED THE ABOVE-CAPTIONED MATTERS. SPECIAL COUNSEL PROVIDED EACH BOARD MEMBER WITH A COPY OF A DECEMBER 3, 2008 COMMUNICATION REGARDING THE STATUS OF THE RDD DEEP WELL.

CLOSED SESSION

BY MR. ORZECH – SUPPORTED BY MR. PEGG

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 COLLINS, FIELDS, JOHNSON, MOORE, NGARE, ORZECH,  
PEGG, SCOTT, STEWART AND CHAIRMAN BANDEMER – 10

NAYS – NONE

The Board entered into Closed Session at 11:05 A.M.

OPEN SESSION

BY MR. PEGG – SUPPORTED BY MR. STEWART

Resolved, That the Board return to Open Session:

A Roll Call Vote was taken as follows:

YEAS – TRUSTEES COLLINS, FIELDS, JOHNSON, MOORE, NGARE, ORZECH,  
PEGG, SCOTT, STEWART AND CHAIRMAN BANDEMER – 10

NAYS – NONE

The Board returned to Open Session at 11:45 A.M.

SPECIAL LEGAL COUNSEL'S/GENERAL COUNSEL'S SERVICES AND  
CONTRACTUAL AGREEMENT OBLIGATIONS

DURING CLOSED SESSION, THE BOARD DISCUSSED THE ABOVE-CAPTIONED  
MATTERS.

SPECIAL LEGAL COUNSEL'S/GENERAL COUNSEL'S SERVICES AND  
CONTRACTUAL AGREEMENT OBLIGATIONS

BY MS. COLLINS – SUPPORTED BY MR. STEWART

**WHEREAS**, the Board of Trustees has made prior policy decisions to engage in multi-year contract terms to assure the continuity of receipt of valuable services and availability to the Retirement System of experienced contractual services, and

**WHEREAS**, the Board continues its desire to maintain essential service provider relationships which promote effectiveness, reliability and continuity, and

**WHEREAS**, the Board has had a long-standing relationship with **Ronald Zajac**, as the Board's general counsel, and

**WHEREAS**, the Board has had a long-standing relationship with **Joseph E. Turner** (special legal counsel) of Clark Hill PLC, and

SPECIAL LEGAL COUNSEL'S/GENERAL COUNSEL'S SERVICES AND CONTRACTUAL AGREEMENT OBLIGATIONS

**WHEREAS**, the Board notes the value of the experience, expertise and the legal and administrative services of general counsel and special counsel and deems it appropriate to assure the availability of general counsel and special legal counsel to provide legal services, and

**WHEREAS**, the Board has considered these matters, now therefore be it

**RESOLVED**, that the contract of general counsel is hereby extended for a five-year period to **June 30, 2014**, with all other existing terms and conditions set forth in general counsel's contract (as amended by any modifications and applicable resolutions of the Board of Trustees to date), and be it further

**RESOLVED**, that the existing contract with general counsel is amended as follows:

1. Term: Expiration date is June 30, 2014.
2. Duties: Consistent with all duties and responsibilities of general counsel to date.
3. Compensation: Consistent with last prior board resolution.
4. General Provisions: Consistent with existing contract.
5. Special Provisions: Upon the expiration of term contract, ending June 30, 2014, the term of future contracts will revert to one (1) year contracts subject to the thirty (30) day notice period for any contract termination, as set forth in the original contract.

**RESOLVED**, that all other existing terms and conditions continue per contract, including the initial contract, modifications of contract and all amendments to contract per applicable resolutions of the Board of Trustees, and be it further

**RESOLVED**, that general counsel continue performing all duties currently being provided, and be it further

SPECIAL LEGAL COUNSEL'S/GENERAL COUNSEL'S SERVICES AND CONTRACTUAL AGREEMENT OBLIGATIONS

**RESOLVED**, that the terms of this agreement/contract are binding upon the parties by general counsel's agreement thereof by signing an acknowledgement and agreement to the terms of this resolution.

**RESOLVED**, that the Board hereby enters into an agreement with **Joseph Turner** providing in relevant part as follows:

1. Term: **December 4, 2008 – June 30, 2014**
2. Duties: Consistent with all duties and responsibilities of special counsel to date, including but not limited to, serving as the lead special legal counsel to general counsel.
3. Compensation: Consistent with prior board resolution.
4. General Provisions: Consistent with general counsel's contract.
5. Special Provisions: (i) Upon the expiration of the contract term, the term of future contracts will revert to one (1) year contracts subject to the thirty (30) day notice period for any contract termination, as set forth in general counsel's original contract; and (ii) special counsel services agreement shall be exclusive to Joseph Turner .
6. Joseph E. Turner will execute any supplemental documentation consistent with this resolution as may be requested by the Board of Trustees.

**RESOLVED**, that general counsel and special counsel each shall be entitled to an annual CPI increase not to exceed 3% per year, and be it further

**RESOLVED**, that any termination of either the general counsel or special legal counsel engagement shall require a unanimous vote of the Board of Trustees, and be it further

**RESOLVED**, that the foregoing terms of this agreement/contract the special counsel contract are binding upon the parties by special

SPECIAL LEGAL COUNSEL'S/GENERAL COUNSEL'S SERVICES AND CONTRACTUAL AGREEMENT OBLIGATIONS

counsel's agreement thereof by signing an acknowledgement and agreement to the terms of this resolution, and be it further

**RESOLVED**, that a copy of this resolution be forwarded to General Counsel, Special Legal Counsel, and the Accounting Division of the Retirement Systems:

**ACKNOWLEDGED AND AGREED TO REGARDING GENERAL COUNSEL:**

\_\_\_\_\_ Dated: December 4, 2008  
Ronald Zajac, General Counsel

**ACKNOWLEDGED AND AGREED TO REGARDING SPECIAL LEGAL COUNSEL:**

\_\_\_\_\_ Dated: December 4, 2008  
Joseph E. Turner, Special Legal Counsel

**ACKNOWLEDGED AND AGREED on behalf of the Police and Fire Retirement System of the City of Detroit Re Resolution of December 4, 2008.**

\_\_\_\_\_ Dated: December 4, 2008  
Trustee

\_\_\_\_\_ Dated: December 4, 2008  
Trustee

YEAS – TRUSTEES COLLINS, FIELDS, JOHNSON, MOORE, NGARE, ORZECH, PEGG, SCOTT, STEWART AND CHAIRMAN BANDEMER – 10

NAYS – NONE

NORTH POINT ADVISORS

**KEN NELSON AND CHRIS PIERSON (AND ADRIAN ANDERSON VIA PHONE CONFERENCE)** DISCUSSED THE SYSTEM'S PLAN TO REDUCE SECTION 20 (d) EXPOSURE, EMERGING MANAGERS AND THE SYSTEM'S CASH PLAN.

WELLS CAPITAL MANAGEMENT

**WILLIAM (BILL) NORRIS AND JAMES KRAUS** DISCUSSED PERFORMANCE AT LENGTH.

RDD INVESTMENT CORPORATION

BY MR. MOORE – SUPPORTED BY MR. SCOTT

**WHEREAS**, the Board of Trustees of the Police and Fire Retirement System of the City of Detroit (the Board) previously funded the operating budget for RDD Investment Corp. ("RDD"), the Board's designee, which owns and maintains the Romulus deep disposal facility (the "Project") previously owned by Environmental Disposal Services ("EDS"); and

**WHEREAS**, the Board has received a proposed budget for RDD for the period January 1, 2008 – June 30, 2009, which was prepared by Gilbert Goode, the interim Chief Financial Officer of RDD, and

**WHEREAS**, the Board has been advised by members of the Board's Transition Team, inclusive of the Board's General Counsel and Special Counsel, in closed session regarding this matter, and

**WHEREAS**, the Board has considered this matter in open session, Therefore be it

**RESOLVED**, that the Board authorizes approval of funding to RDD in an amount not to exceed **\$178,000** for the RDD Budget (January 1, 2009 - June 30, 2009), with such funding to be evidenced and documented by draws to RDD, in a form and manner approved by Special Counsel, consistent with the Board's policy, and be it further

**RESOLVED**, that a copy of this resolution be forwarded to the Transition Team, and the Accounting Division of the Retirement Systems:

RDD INVESTMENT CORPORATION

YEAS – TRUSTEES COLLINS, FIELDS, JOHNSON, MOORE, NGARE, ORZECH,  
PEGG, SCOTT, STEWART AND CHAIRMAN BANDEMER – 10

NAYS – NONE

BILL PAYMENT REQUESTS

BY MR. PEGG – SUPPORTED BY MR. FIELDS

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:

YEAS – TRUSTEES COLLINS, FIELDS, JOHNSON, MOORE, NGARE, ORZECH,  
PEGG, SCOTT, STEWART AND CHAIRMAN BANDEMER – 10

NAYS – NONE

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

ADP – NOVEMBER 28, 2008 - \$47.89 – NOVEMBER, 2008 PROCESSING  
CHARGES

ADP – NOVEMBER 28, 2008 - \$98.05 – CONTRACT SERVICES

ADP – NOVEMBER 22, 2008 - \$117.59 – CONTRACT SERVICES

BANYAN REALTY ADVISORS – NOVEMBER 25, 2008 - \$47,106.02 – 2008 THIRD  
QUARTER ADVISORY FEES

CLARK HILL – NOVEMBER 17, 2008 - \$1,427.17 – DROP PLAN SERVICES

CLARK HILL – NOVEMBER 17, 2008 - \$2,003.05 – LAFER LITIGATION SERVICES

CLARK HILL – NOVEMBER 17, 2008 - \$2,940.00 – WOCHNA/HEAD SERVICES

BILL PAYMENT REQUESTS

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

CLARK HILL – NOVEMBER 17, 2008 - \$3,970.80 – THE DETROIT NEWS LITIGATION SERVICES

CLARK HILL – NOVEMBER 17, 2008 - \$4,336.88 – MISCELLANEOUS SERVICES

CLARK HILL – NOVEMBER 17, 2008 - \$5,005.36 – RETIRED DETROIT POLICE OFFICERS' AND FIRE FIGHTERS' ASSOCIATION LITIGATION SERVICES

CLARK HILL – NOVEMBER 17, 2008 - \$31,828.71 – EDS SERVICE

CLARK HILL – NOVEMBER 17, 2008 - \$32,147.95 – TRADE WINDS AIRLINES, INC. LITIGATION SERVICES

CLARK HILL – NOVEMBER 17, 2008 - \$33,656.79 – DONALD V. WATKINS, ET, AL, LITIGATION SERVICES

DELL MARKETING – NOVEMBER 13, 2008 - \$2,373.15 – CONTRACT SERVICES

FORMS TRAC – NOVEMBER 12, 2008 - \$301.74 – PRINTING COSTS

FORMS TRAC – OCTOBER 30, 2008 - \$237.35 – PRINTING COSTS

FORMS TRAC – NOVEMBER 26, 2008 - \$263.01 – OFFICE SUPPLIES

GFOA – NOVEMBER 19, 2008 - \$1,915.00 – OFFICE SUPPLIES

GRACE LANDSCAPING – NOVEMBER 14, 2008 - \$125.00 – LANDSCAPING SERVICES – 7850 E. JEFFERSON AVENUE

GRACE LANDSCAPING – NOVEMBER 23, 2008 - \$125.00 – LANDSCAPING SERVICES – 7850 E. JEFFERSON AVENUE

HSBC – OCTOBER 24, 2008 - \$80,064.53 – 2008 THIRD QUARTER FEES – ACCOUNT #000591378

HSBC – OCTOBER 24, 2008 - \$19,276.19 – 2008 THIRD QUARTER FEES – ACCOUNT #000591345

BILL PAYMENT REQUESTS

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

IT STAFF – DECEMBER 2, 2008 - \$71,951.94 – PROGRAMMER SALARIES FOR THE MONTH ENDED NOVEMBER 30, 2008

MC TEVIA & ASSOCIATES – DECEMBER 1, 2008 - \$1,540.00 – NOVEMBER, 2008 SERVICES – TRADE WINDS AIRLINES, INC.

MILESTONE REALTY SERVICES, INC. – NOVEMBER 11, 2008 - \$6,264.57 – 7850 E. JEFFERSON

PENSIONS AND INVESTMENTS – NOVEMBER 8, 2008 - \$323.00 – MAGAZINE SUBSCRIPTION

TECH DEPOT – NOVEMBER 10, 2008 - \$134.31 – OFFICE SUPPLIES

TECH DEPOT – NOVEMBER 10, 2008 - \$34.93 – OFFICE SUPPLIES

WELLINGTON – NOVEMBER 19, 2008 - \$102,015.63 – 2008 THIRD QUARTER FEES

XJJ COMPANY – DECEMBER 2, 2008 - \$20,129.68 – EMPLOYEE PAYROLL FOR THE PERIOD OCTOBER 27, 2008 THROUGH NOVEMBER 21, 2008

OMSAN ASSET MANAGEMENT

BY MR. MOORE – SUPPORTED BY MR. STEWART

Whereas, the proposed investment from Omsan Asset Management, Re: the Omsan Paramount Bio Fund, is categorized as a Public Act 314 of 1965, as amended, Section 20(d) investment, and

Whereas, the Retirement System has no capacity to add to the Section 20(d) category of investments, and

Whereas, the Board is in receipt of a December 3, 2008 letter from Omsan Asset Management wherein Omsan Asset Management acknowledges the Section 20(d) limitation issue, but, nevertheless, wishes to proceed to pay for a due diligence with no obligation of the Retirement System to make the investment, and

OMSAN ASSET MANAGEMENT

Whereas, the Board notes that its portfolio is subject to change for a number of reasons, Therefore be it

Resolved, that notwithstanding no obligation of the Retirement System to make this proposed investment and its inability to make the investment, the Board agrees, with no obligation to make the investment, to obtain a due diligence report at Omsan Asset Management's cost, and be it further

Resolved, that this matter be referred to North Point Advisors, and be it further

Resolved, that an escrow account be initiated consistent with established procedures, and be it further

Resolved, that a copy of this resolution be forwarded to **Omsan Asset Management, North Point Advisors**, Retirement System staff member **Ellen Moss**, and the **Accounting Division** of the Retirement Systems:

YEAS – TRUSTEES COLLINS, FIELDS, JOHNSON, MOORE, NGARE, SCOTT, STEWART AND CHAIRMAN BANDEMER – 8

NAYS – TRUSTEES ORZECH AND PEGG – 2

WALKER & DUNLOP

BY MS. JOHNSON – SUPPORTED BY MR. STEWART

WHEREAS, PAUL BERNARD AND ASSOCIATE JAMES GURLEY APPEARED BEFORE THE BOARD ON OCTOBER 2, 2008 AND DISCUSSED WALKER & DUNLOP'S MORTGAGE INVESTMENT TRUST I PROPOSAL, AND MMA FINANCIAL, AND

WHEREAS, TRUSTEE HEATHER JOHNSON DID NOT BECOME A TRUSTEE OF THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT UNTIL NOVEMBER 6, 2008, AND

WHEREAS, TRUSTEE JOHNSON IS INTERESTED IN HEARING WALKER & DUNLOP'S PRESENTATION, THEREFORE BE IT

WALKER & DUNLOP

RESOLVED, THAT MESSRS. BERNARD AND GURLEY BE REQUESTED TO AGAIN APPEAR BEFORE THE BOARD TO DISCUSS WALKER & DUNLOP'S MORTGAGE INVESTMENT TRUST I PROPOSAL, AND MMA FINANCIAL, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARD TO WALKER & DUNLOP, AND RETIREMENT SYSTEM STAFF MEMBER ELLEN MOSS:

YEAS – TRUSTEES COLLINS, FIELDS, JOHNSON, MOORE, NGARE, ORZECH,  
PEGG, SCOTT, STEWART AND CHAIRMAN BANDEMER – 10

NAYS – NONE

CONFERENCE(S)

BY MR. STEWART – SUPPORTED BY MR. FIELDS

Resolved, That the Board approve the attendance of all Trustees, the Executive Secretary, the Assistant Executive Secretary, General Counsel and Special Legal Counsel at the below-referenced conference(s), 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 conference(s):

14<sup>TH</sup> ANNUAL PBMI DRUG BENEFIT CONFERENCE  
PHOENIX, ARIZONA  
MARCH 4, 2009 – MARCH 6, 2009

YEAS – TRUSTEES COLLINS, FIELDS, JOHNSON, MOORE, NGARE, ORZECH,  
PEGG, SCOTT, STEWART AND CHAIRMAN BANDEMER – 10

NAYS – NONE

PROVENDER CAPITAL GROUP, LLC

BY MR. ORZECH – SUPPORTED BY MR. SCOTT

WHEREAS, HAS PROVENDER PRESENTED THE BOARD WITH A DECEMBER 3, 2008 COMMUNICATION WHEREIN PROVENDER REQUESTS THAT THE BOARD APPROVE THE REQUEST WHICH IS REFERENCED BELOW RELATIVE TO PROVENDER OPPORTUNITIES FUND, L.P., AND

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

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

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO PROVENDER AND THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEMS:

REQUEST:

WAIVE FINAL INVESTMENT DISTRIBUTION FROM PRESTIGE BRANDS TO THE FUND IF THE FUND DOES NOT RECEIVE SAME BEFORE DECEMBER 31, 2008:

YEAS – TRUSTEES COLLINS, FIELDS, JOHNSON, MOORE, NGARE, ORZECH, PEGG, SCOTT, STEWART AND CHAIRMAN BANDEMER – 10

NAYS – NONE

PUBLIC FORUM

AT 1:42 P.M., CHAIRMAN BANDEMER 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 BANDEMER ADJOURNED THE MEETING AT 1:45 P.M. UNTIL THURSDAY, DECEMBER 11, 2008 AT 9:00 A.M., IN ROOM 910 OF THE COLEMAN A. YOUNG MUNICIPAL CENTER, DETROIT, MICHIGAN 48226.

RESPECTFULLY SUBMITTED,

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CYNTHIA A. THOMAS  
ASSISTANT EXECUTIVE SECRETARY