

MEETING NUMBER 2674

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



PROCEEDINGS HELD THURSDAY, APRIL 3, 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
Shereece Fleming-Freeman	Ex/Officio Alternate Trustee
DeDan Milton	Ex/Officio Alternate Trustee
James Moore	Elected Trustee
George Orzech	Elected Trustee
Jeffrey Pegg	Elected Trustee
Tyrone Scott	Ex/Officio Trustee/Fire Commissioner
Paul Stewart	Elected Trustee
Walter Stampor	Executive Secretary
Cynthia Thomas	Assistant Executive Secretary
Janet S. Lenear	Recording Secretary
Ronald Zajac	Legal Counsel
Joe Turner	Special Legal Counsel
Richard Huddleston	Investment Analyst

EXCUSED

None

ABSENT

None

## CHAIRPERSON

Gregory Best

ROLL CALL WAS TAKEN AT 9:03 A.M. BY THE BOARD'S RECORDING SECRETARY AND THE MEETING WAS CALLED TO ORDER.

### CAPITAL CALLS/DRAWS

#### BY MR. BANDEMER – 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:

Firm: Dott Industries  
Date: March 20, 2008  
Fund Name: Dott Acquisition, LLC  
Capital Call/Draw: \$6,000,000.00

Firm: Finch Asset Management  
Date: March 28, 2008  
Fund Name: Finch Fund, Ltd.  
Capital Call/Draw: \$10,000,000.00

Firm: Syndicated Communications  
Date: March 24, 2008  
Fund Name: Syndicated Communications Venture Partners V, L.P.  
Capital Call/Draw: \$245,075.00

CAPITAL CALLS/DRAWS

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

Nays – None

RETIREMENTS

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

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

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

Nays – None

RETIREMENTS

NAME, TITLE, DEPARTMENT RETIREMENT, PLAN	BARTON MITCHELL – OFFICER – POLICE DUTY DISABILITY RETIREMENT CONVERSION - NEW
SERVICE CREDIT, EFFECTIVE DATE	25 00 00 – 04 19 08

NAME, TITLE, DEPARTMENT RETIREMENT, PLAN	LANCE MCGHEE – OFFICER – POLICE DUTY DISABILITY RETIREMENT CONVERSION - NEW
SERVICE CREDIT, EFFECTIVE DATE	25 00 00 - 04 24 08

NAME, TITLE, DEPARTMENT RETIREMENT, PLAN	PATRICK SULLIVAN – OFFICER – POLICE DUTY DISABILITY RETIREMENT CONVERSION – NEW
SERVICE CREDIT, EFFECTIVE DATE	25 00 00 – 04 19 08

NAME, TITLE, DEPARTMENT RETIREMENT, PLAN	ARRIANA RILEY – CHILD OF DECEASED FREDERICK RILEY – SERGEANT - POLICE NON/DUTY (CHILD) - NEW
SERVICE CREDIT, EFFECTIVE DATE	25 02 07 – 08 19 99

CONFIRMATIONS

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

RESOLVED, THAT THE DISBURSEMENTS (\$39,780,339.61) AND RECEIPTS (\$1,319,775.67) WHICH ARE REFERENCED AT THE END OF THESE PROCEEDINGS BE CONFIRMED:

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

Nays – None

TRUSTEES COLLINS AND MILTON ENTERED THE MEETING.

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY MR. BANDEMER – SUPPORTED BY MR. PEGG

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 #3271, IN THE AMOUNT OF \$938,401.37, INCLUDING INTEREST, BE REFUNDED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

Yeas – Trustees Bandemer, Collins, Freeman, Orzech, Milton, Pegg, Scott, Stewart and Chairman Best – 9

Nays – None

TRUSTEE MOORE ENTERED THE MEETING.

BILL PAYMENT REQUESTS

BY MR. MILTON – SUPPORTED BY MR. MOORE

BILL PAYMENT REQUESTS

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 – MARCH 14, 2008 - \$88.51 – POLICE AND FIRE PORTION OF \$177.01 – CONTRACT/MISCELLANEOUS SERVICES

ADP – MARCH 21, 2008 - \$86.05 – POLICE AND FIRE PORTION OF \$172.09 – CONTRACT/MISCELLANEOUS SERVICES

ADP – MARCH 28, 2008 - \$46.99 – POLICE AND FIRE PORTION OF \$93.98 – CONTRACT/MISCELLANEOUS SERVICES

CROMWELL COMMUNICATIONS – DECEMBER 18, 2007 - \$300.00 – POLICE AND FIRE ANNUAL REPORT

DELL MARKETING – MARCH 12, 2008 - \$635.48 – POLICE AND FIRE PORTION OF \$1,270.96 – CONTRACT/MISCELLANEOUS SERVICES

GLOBAL AVIATION TITLE INSURANCE COMPANY – APRIL 2, 2008 - \$7,975.00 – TRADE WIND AIRLINES, INC.

IKON OFFICE SOLUTIONS – MARCH 7, 2008 - \$70.48 – POLICE AND FIRE PORTION OF \$140.95 – CONTRACT/MISCELLANEOUS SERVICES

BILL PAYMENT REQUESTS

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

IT – APRIL 2, 2008 - \$72,309.42 – POLICE AND FIRE PORTION OF \$154,110.12 – MARCH, 2008 COMPUTER PROGRAMMER FEES

MT CAPE TOWN SERVICES, LLC – APRIL 2, 2008 - \$3,000.00 – TRADE WIND AIRLINES, INC.

NORTH POINT ADVISORS – MARCH 28, 2008 - \$15,000.00 – PITG GAMING DUE DILIGENCE

OFFICE DEPOT – MARCH 25, 2008 - \$252.55 – POLICE AND FIRE PORTION OF \$505.10 – OFFICE SUPPLIES

QUILL CORPORATION – MARCH 20, 2008 - \$75.66 – POLICE AND FIRE PORTION OF \$151.31 – OFFICE SUPPLIES

QUILL CORPORATION – MARCH 21, 2008 - \$9.15 – POLICE AND FIRE PORTION OF \$18.30 – OFFICE SUPPLIES

WALL STREET JOURNAL – MARCH 20, 2008 - \$149.00 – SUBSCRIPTION FEE

XJJ COMPANY – APRIL 2, 2008 - \$18,106.18 – POLICE AND FIRE PORTION OF \$36,212.37 – EMPLOYEE PAYROLL FOR THE PERIOD FEBRUARY 25, 2008 THROUGH MARCH 21, 2008

ZONES – MARCH 20, 2008 - \$925.76 – POLICE AND FIRE PORTION \$1,851.51 – OFFICE SUPPLIES

ZONES – MARCH 28, 2008 - \$819.07 – POLICE AND FIRE PORTION \$1,638.14 – OFFICE SUPPLIES

BILL PAYMENT REQUESTS

Yeas – Trustees Bandemer, Collins, Freeman, Orzech, Milton,  
Moore, Pegg, Scott, Stewart and Chairman Best – 10

Nays – None

ANITA LINET  
PERSONAL SERVICES CONTRACT  
COMPUTER CONSULTANT CONTRACT ADDENDUM

BY MR. MILTON – SUPPORTED BY MR. MOORE

RESOLVED, THAT THE BOARD'S CONTRACT (ADDENDUM TO AGREEMENT DATED MARCH 14, 2001 – AMENDMENT NO. 3 TO CONTRACT) WITH ANITA LINET BE APPROVED FOR THE PERIOD BEGINNING APRIL 1, 2008 AND TERMINATING MARCH 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 ANITA LINET AND RETIREMENT SYSTEM ACCOUNTING STAFF:

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

NAYS – NONE

SPECIAL COUNSEL JOE TURNER ENTERED THE MEETING.

NORTH POINT ADVISORS

TRUSTEE BEASLEY ENTERED THE MEETING.

ADRIAN ANDERSON DISCUSSED VARIOUS MATTERS, INCLUDING TRADE WIND AIRLINES, INC., (AS DID TRUSTEE SCOTT), ETF-ETN, EVERGREEN INVESTMENTS, MERRILL LYNCH'S EXCHANGE-TRADED FUNDS AND WILLIAMS CAPITAL (SMALL-CAP INVESTING).

HGK ASSET MANAGEMENT, INC.

GREGORY LOBO DISCUSSED PERFORMANCE (INCLUDING FIXED INCOME) AND THEN EXCUSED HIMSELF.

STEWARD REAL ESTATE

ANMAR SARAFI, CRAIG BLAKE AND FRANK JONNA DISCUSSED THE HAGGERTY TECHNICAL CENTER, CATTLEMAN BUSINESS PARK, TROY STERLING BANK, AND BIRMINGHAM GATEWAY.

PRIOR TO EXCUSING THEMSELVES, THE GENTLEMEN REQUESTED THAT THE BOARD APPROVE A 12-MONTH EXTENSION FOR SPEP FUND I (WHICH EXPIRES MARCH 13, 2009).

BANYAN REALTY ADVISORS, LLC

LOU VOGT DISCUSSED SPARE TIME AND TCR'S AFFORDABLE PORTFOLIO AT LENGTH.

THE BOARD THEN EXCUSED MR. VOGT.

WIND POINT PARTNERS

JAMES TENBROEK, REBECCA VANDERLAKE AND AN ASSOCIATE DISCUSSED WIND POINT PARTNERS FUNDS I THROUGH VII AND THEN EXCUSED THEMSELVES.

CHAIRMAN BEST RELINQUISHED THE CHAIR TO VICE CHAIRMAN BANDEMER AND EXCUSED HIMSELF.

LEGAL COUNSEL'S REPORTS

LEGAL COUNSEL RONALD ZAJAC DISCUSSED VARIOUS MATTERS WITH THE BOARD, INCLUDING COURTLAND PARTNERS, GVC NETWORKS, PITG GAMING, PUBLIC ACT 314 OF 1965, BEAR STEARNS, KLA-TENCOR CORPORATION, KOHN, SWIFT AND GRAF, P.C., DIXON VERSUS DIXON AND ANTHONY VERSUS SMITH.

BEAR STEARNS

LEGAL COUNSEL REPORTED TO THE BOARD THAT THE BOARD IS IN RECEIPT OF A COPY OF A MOTION FOR TEMPORARY RESTRAINING ORDER CONSISTING OF 16 PAGES WITH 6 EXHIBITS AND AFFIDAVIT OF ROBERT J. KRINLER JR. IN SUPPORT OF MOTION FOR TEMPORARY RESTRAINING ORDER WITH ATTACHMENTS, WHICH PACKET CONSISTS OF APPROXIMATELY THREE-FOURTHS OF AN INCH OF PAPERS WHICH ARE AVAILABLE FOR REVIEW AND INDIVIDUAL COPIES BEING PROVIDED UPON REQUEST.

KOHN, SWIFT AND GRAF, P.C.

LEGAL COUNSEL PROVIDED EACH BOARD MEMBER WITH A COPY OF A MARCH 24, 2008 COMMUNICATION FROM SPECIAL COUNSEL KOHN, SWIFT AND GRAF, P.C. REGARDING THE CASES IN WHICH KOHN, SWIFT AND GRAF, P.C. IS REPRESENTING THE RETIREMENT SYSTEM (KLA-TENCOR, MARVELL TECHNOLOGY,

KOHN, SWIFT AND GRAF, P.C.

AMBAC FINANCIAL GROUP, INC. MBIA, INC. AND BEAR STEARNS).

KLA-TENCOR

LEGAL COUNSEL PROVIDED EACH BOARD MEMBER WITH A COPY OF A DRAFT OF THE KLA-TENCOR SETTLEMENT AGREEMENT WHICH WAS SUBMITTED TO LEGAL COUNSEL BY SPECIAL COUNSEL KOHN, SWIFT AND GRAF, P.C.

KIRKLAND AND TEDRA DUDLEY

LEGAL COUNSEL PROVIDED EACH BOARD MEMBER WITH A COPY OF AN APRIL 3, 2008 COMMUNICATION FROM SPECIAL COUNSEL COUZENS LANSKY RELATIVE TO KIRKLAND AND TEDRA DUDLEY.

POLICE AND FIRE RETIREMENT SYSTEM VERSUS WINSTAR COMMUNICATIONS, LLC, WINSTAR GOVERNMENT SOLUTIONS, LLC, WINSTAR, LLC, GVC NETWORKS, LLC, GVC HOLDINGS, INC., KIRKLAND DUDLEY AND TEDRA DUDLEY

LEGAL COUNSEL PROVIDED EACH BOARD MEMBER WITH A COPY OF AN APRIL 2, 2008 COMMUNICATION FROM SPECIAL COUNSEL COUZENS LANSKY REGARDING THE ABOVE-CAPTIONED LITIGATION.

BEAR STEARNS

LEGAL COUNSEL PROVIDED EACH BOARD MEMBER WITH VARIOUS ARTICLES REGARDING BEAR STEARNS.

COURTLAND PARTNERS

BY MR. ORZECH – SUPPORTED BY MR. PEGG

Whereas, The Board has been requested to execute a Real Estate Consulting Agreement relative to Courtland Partners, and

Whereas, The execution of said document has been recommended by the Board's General Counsel, and

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 Beasley, Collins, Freeman, Milton, Moore,  
Orzech, Pegg, Scott, Stewart and Vice Chairman  
Bandemer – 10

Nays – None

**PITG GAMING**

**\$75,000,000.00 PROPOSED CREDIT ENHANCEMENT INVESTMENT**

**BY MR. MOORE – SUPPORTED BY MR. STEWART**

**WHEREAS**, the Board of Trustees (the “Board”) previously adopted a resolution indicating its continued interest in the proposed investment, subject to North Point Advisors, the Board’s Advisor, Special Legal Counsel and General Counsel (collectively, the Board’s Team) finalizing terms and conditions of the transaction to protect the interests of the Board, and

**WHEREAS**, following discussions with banks (credit facilities) likely to be involved, General Counsel has informed the Board of the credit facility lender’s requirement for the Board to pledge, as collateral, securities of One Hundred Million Dollars (\$100,000,000.00) (the “Pledge Amount”) to secure the Board’s obligations under the credit enhancement (the “Pledge Requirement”), and

**WHEREAS**, in order to continue with the proposed investment which requires compliance with the Pledge Requirement, the Board will need to grant the credit facility lenders a security interest for the Pledge Amount in a securities portfolio, to be identified, (the “Security Portfolio”) held by the Board’s custodian, The Bank of New York (the “Custodian”); and

**WHEREAS**, the Board has discussed this matter, therefore be it

**RESOLVED**, the Board agrees to grant the credit facility lenders a security interest in the Security Portfolio for the Pledge Amount to secure the Board’s obligations under the credit enhancement documents, subject to the conditions that such securities shall be freely traded by the Board and continually held by the Custodian during the term of the investment and subject to approval of documentation by the board’s Special Legal Counsel and General Counsel, and be it further

PITG GAMING

\$75,000,000.00 PROPOSED CREDIT ENHANCEMENT INVESTMENT

**RESOLVED**, that a copy of this resolution be forwarded to the Project Sponsor and the Accounting Division of the Retirement System:

Yeas – Trustees Beasley, Collins, Freeman, Milton, Moore, Orzech, Pegg, Scott, Stewart and Vice Chairman Bandemer – 10

Nays – None

PITG GAMING

\$75,000,000.00 PROPOSED CREDIT ENHANCEMENT INVESTMENT

BY MR. STEWART – SUPPORTED BY MR. SCOTT

Whereas, The Board has indicated its interest in making the foregoing investment subject to a number of conditions being met, including the approval of final transaction documents after all negotiations are completed by the Board and Special Legal Counsel, and

Whereas, The Board notes that legal services required to prepare the proposed transaction documents for consideration by the Board will be fairly extensive and time-consuming and will require immediate attention, requiring consecutive hours of attention by Special Legal Counsel, and

Whereas, The Board's policy in such cases is to select and retain Special Legal Counsel relative to such investment proposal who will report to the Board's General Counsel and to the Board of Trustees, as appropriate, with fees and expenses of said Special Legal Counsel to be paid for from an escrow account funded by PITG Gaming, and

PITG GAMING

\$75,000,000.00 PROPOSED CREDIT ENHANCEMENT INVESTMENT

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

Resolved, That the aforesaid investment proposal be assigned to Clark Hill (per Joe Turner) and F. Logan Davidson, P.C. as Special Legal Counsel, and be it further

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

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

Resolved, That Special Legal Counsel submit itemized billings to PITG Gaming with copies to the Retirement System, and be it further

Resolved, That the amount to be escrowed will be mutually determined by Special Legal Counsel and PITG Gaming and will be reported to the Board of Trustees and the escrow may be funded in stages with the understanding that legal services will be performed only to the extent of, and after, the escrow deposit(s), and be it further

PITG GAMING

\$75,000,000.00 PROPOSED CREDIT ENHANCEMENT INVESTMENT

Resolved, That a copy of this resolution be forwarded to PITG Gaming, Clark Hill (per Joe Turner), F. Logan Davidson, P.C, and the Accounting Division of the Retirement System:

Yeas – Trustees Beasley, Collins, Freeman, Milton, Moore, Orzech, Pegg, Scott, Stewart and Vice Chairman Bandemer – 10

Nays – None

Market Value Adjustments

By Mr. Orzech – Supported by Mr. Stewart

WHEREAS, The Board periodically evaluates the value of its alternative investments being carried in the Board's financial statements, and

WHEREAS, The Board has discussed the valuation of certain of its alternative investments with staff on this date, Therefore be it

RESOLVED, That the current market value of the Atheneum Hotel investment be set at \$2 million, and be it further

RESOLVED, That the current market value of the Everest Energy investment be set at \$100,000 and be it further

RESOLVED, That the current market value of the GVC investment be set at \$100,000 and be it further

RESOLVED, That the current market value of the Miller & Jacobs investment be set at \$100,000 and be it further

RESOLVED, That the current market value of the Romulus Deep Disposal investment be set at \$10,000,000 and be it further

Market Value Adjustments

RESOLVED, That the foregoing valuations are to be made effective immediately, and be it further

RESOLVED, That a copy of this resolution be sent to Bank of New York Mellon, the Board's master securities custodian, and the Accounting Division of the Retirement System:

Yeas – Trustees Beasley, Collins, Freeman, Milton, Moore,  
Orzech, Pegg, Scott, Stewart and Vice Chairman  
Bandemer – 10

NAYS – NONE

DIXON VERSUS DIXON  
SARASOTA COUNTY, FLORIDA  
CASE NUMBER 2007-DR006184-NC

BY MR. SCOTT – SUPPORTED BY MR. STEWART

WHEREAS, THE BOARD IS IN RECEIPT OF A NOVEMBER 14, 2007 FINAL JUDGMENT OF DISSOLUTION OF MARRIAGE AND OCTOBER 5, 2007 MARITAL SETTLEMENT AGREEMENT WHEREIN ROBERT DIXON IS AWARDED 100% OF HIS DEFINED BENEFIT PLAN AND DEFINED CONTRIBUTION PLAN BENEFITS, AND

WHEREAS, THE BOARD HAS BEEN INFORMED THAT PARTICIPANT RETIRED EFFECTIVE OCTOBER 5, 1991, AND

WHEREAS PARTICIPANT'S DATE OF BIRTH IS SEPTEMBER 5, 1939, AND, TO DATE, PARTICIPANT HAS ATTAINED 25 YEARS OF SERVICE CREDIT, AND

WHEREAS, ALTERNATE PAYEE IS NOT ENTITLED TO CLAIM A PORTION OF PARTICIPANT'S DEFINED CONTRIBUTION PLAN, AND ALTERNATE PAYEE IS NOT ENTITLED TO CLAIM A PORTION OF PARTICIPANT'S DEFINED BENEFIT PLAN, THEREFORE BE IT

DIXON VERSUS DIXON  
SARASOTA COUNTY, FLORIDA  
CASE NUMBER 2007-DR006184-NC

RESOLVED THAT THE BOARD ACKNOWLEDGE RECEIPT OF SAID COURT ORDER AND PAY PENSION BENEFITS CONSISTENT WITH SAID COURT ORDER (I.E., 100% TO PARTICIPANT), 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 KATHLEEN DIXON AND ROBERT DIXON:

Yeas – Trustees Beasley, Collins, Freeman, Milton, Moore, Orzech, Pegg, Scott, Stewart and Vice Chairman Bandemer – 10

NAYS – NONE

ANTHONY VERSUS SMITH  
WAYNE COUNTY CASE NUMBER 07-707967-DM

BY MR. SCOTT – SUPPORTED BY MR. STEWART

WHEREAS, THE BOARD IS IN RECEIPT OF A MARCH 10, 2008 DOMESTIC RELATIONS ORDER WHICH AMENDS/SUPPLEMENTS A JUDGMENT OF DIVORCE WHEREIN LYNETTE SMITH IS AWARDED CERTAIN RIGHTS TO THE DEFINED BENEFIT PLAN BENEFITS ONLY OF GEORGE ANTHONY, AND

WHEREAS, THE BOARD HAS BEEN INFORMED THAT PARTICIPANT RETIRED EFFECTIVE JULY 25, 1008, AND

WHEREAS PARTICIPANT'S DATE OF BIRTH IS DECEMBER 4, 1950, AND, TO DATE, PARTICIPANT HAS ATTAINED 25 YEARS, 02 MONTHS, AND 07 DAYS OF SERVICE CREDIT, AND

ANTHONY VERSUS SMITH  
WAYNE COUNTY CASE NUMBER 07-707967-DM

WHEREAS, ALTERNATE PAYEE IS NOT ENTITLED TO CLAIM A PORTION OF PARTICIPANT'S DEFINED CONTRIBUTION PLAN, BUT ALTERNATE PAYEE IS ENTITLED TO CLAIM A PORTION OF PARTICIPANT'S DEFINED BENEFIT PLAN, AND

WHEREAS, THE EARLIEST DATE THAT PAYMENTS FROM THE DEFINED BENEFIT PLAN CAN BE MADE TO THE PARTICIPANT OR 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

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 PENSION BENEFITS CONSISTENT WITH SAID COURT ORDER, A COPY OF THIS RESOLUTION BE IMMEDIATELY ATTACHED AS THE TOP SHEET OF THE PENSION FILE, OTHER APPROPRIATE RECORDS BE RETAINED BY THE RETIREMENT SYSTEM RELATIVE TO THIS MATTER, AND A COPY OF THIS RESOLUTION BE FORWARDED TO ATTORNEY BRUNETTA BRANDY, ATTORNEY SARAH RADKE, LYNETTE SMITH, AND GEORGE ANTHONY:

ANTHONY VERSUS SMITH  
WAYNE COUNTY CASE NUMBER 07-707967-DM

Yeas – Trustees Beasley, Collins, Freeman, Milton, Moore,  
Orzech, Pegg, Scott, Stewart and Vice Chairman  
Bandemer – 10

NAYS – NONE

CLOSED SESSION

BY MR. STEWART – 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 Beasley, Collins, Freeman, Milton, Moore,  
Orzech, Pegg, Scott, Stewart and Vice Chairman  
Bandemer – 10

NAYS – NONE

The Board entered into Closed Session at 1:55 P.M.

OPEN SESSION

BY MR. STEWART – SUPPORTED BY MR. MOORE

Resolved, That the Board return to Open Session:

A Roll Call Vote was taken as follows:

OPEN SESSION

Yeas – Trustees Beasley, Collins, Freeman, Milton, Moore,  
Orzech, Pegg, Scott, Stewart and Vice Chairman  
Bandemer – 10

NAYS – NONE

The Board returned to Open Session at 2:40 P.M.

RDD INVESTMENT CORPORATION

DURING CLOSED SESSION, SPECIAL COUNSEL JOE TURNER PROVIDED THE BOARD WITH A COPY OF A MULTI-PAGE MEMORANDUM REGARDING THE ABOVE-CAPTIONED MATTER.

GSC PARTNERS

THE BOARD DISCUSSED GSC PARTNERS WITH SPECIAL COUNSEL HANK BRENNAN VIA PHONE CONFERENCE DURING CLOSED SESSION.

CLARK HILL

BY MR. BEASLEY – SUPPORTED BY MR. MOORE

Whereas, The Board has been requested to execute a “Request for Waiver of Conflict Regarding Legal Representation of the Police and Fire Retirement System of the City of Detroit and Loop Capital Markets, LLC”; and

Whereas, The execution of said document has been recommended by the Board’s Special Legal Counsel, Clark Hill, and

CLARK HILL

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 Beasley, Collins, Freeman, Milton, Moore,  
Orzech, Pegg, Scott, Stewart and Vice Chairman  
Bandemer – 10

NAYS – NONE

STEWARD REAL ESTATE PARTNERS FUND I, L.P. ("STEWARD")

BY MR. ORZECH – SUPPORTED BY MR. STEWART

WHEREAS, STEWARD CAPITAL MANAGEMENT, PER MARCH 11, 2008 COMMUNICATION, HAS REQUESTED THE BOARD TO APPROVE A 12-MONTH EXTENSION OF THE CAPITAL-RAISE PERIOD, THUS BEING 12 MONTHS FOLLOWING THE INITIAL CLOSING DATE, AND

WHEREAS, STEWARD CAPITAL MANAGEMENT HAS PRESENTED THE BOARD WITH A 16-PAGE PRESENTATION BOOKLET THIS DATE, AND

WHEREAS, THE BOARD WOULD AGREE TO THE 12-MONTH EXTENSION PROVIDED THE AMOUNTS PAID TO THE RETIREMENT SYSTEM, AS AN EARLY INVESTOR, WOULD BE CALCULATED AT A MINIMUM OF 8% INTEREST RATE, AND

STEWARD REAL ESTATE PARTNERS FUND I, L.P. (“STEWARD”)

WHEREAS, THE EXISTING PROVISION CALCULATION - 200 BASIS POINTS PLUS BASE RATE (PRIME RATE) - WOULD BE LESS THAN 8%, THEREFORE BE IT

RESOLVED, THAT SUBJECT TO MODIFICATION OF THE LIMITED PARTNERSHIP AGREEMENT TO PROVIDE FOR A MINIMUM OF 8% INTEREST RATE IN THE APPLICABLE PROVISION CONSISTENT WITH THE BOARD’S DISCUSSION OF THIS DATE, THE BOARD APPROVES THE AFORESAID 12-MONTH EXTENSION SUBJECT TO THE APPROVAL OF DOCUMENTATION BY THE BOARD’S GENERAL COUNSEL, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO STEWARD CAPITAL MANAGEMENT AND THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEM:

Yeas – Trustees Beasley, Collins, Freeman, Milton, Moore,  
Orzech, Pegg, Scott, Stewart and Vice Chairman  
Bandemer – 10

NAYS – NONE

Investment Manager Account Withdrawals

By Mr. Moore – Supported by Mr. Orzech

WHEREAS, The Board must periodically make withdrawals from the accounts of its Investment Managers to pay the benefits and expenses of the System as well as fund new investments, and

WHEREAS, The Board has reviewed the cash forecast for the balance of the fiscal year prepared by staff, and

WHEREAS, The Board has reviewed the recommendation of North Point Advisors, the Board’s retained consultant, Therefore be it

Investment Manager Account Withdrawals

RESOLVED, That \$15 million be withdrawn from the corporate bond account managed by Transamerica prior to April 30, 2008, and be it further

RESOLVED, That \$15 million be withdrawn from the corporate bond account managed by Loomis Sayles prior to April 30, 2008, and be it further

RESOLVED, That \$10 million be withdrawn from the international equity account managed by Oppenheimer prior to April 30, 2008, and be it further

RESOLVED, That \$10 million be withdrawn from the international equity account managed by The Bank of New York Mellon prior to April 30, 2008, and be it further

RESOLVED, That \$20 million be withdrawn from the international equity account managed by TT International prior to April 30, 2008, and be it further

RESOLVED, That \$5 million be withdrawn from the international equity account managed by Dimensional Fund Advisors prior to April 30, 2008, and be it further

RESOLVED, That a copy of this resolution be forwarded to all parties named herein and the Accounting Division of the Retirement System:

Yeas – Trustees Beasley, Collins, Freeman, Milton, Moore,  
Orzech, Pegg, Scott, Stewart and Vice Chairman  
Bandemer – 10

NAYS – NONE

MASON RADIO

BY MR. MILTON – SUPPORTED BY MR. SCOTT

RESOLVED, THAT JOHN MASON AND ANY ASSOCIATE OF HIS CHOOSING BE REQUESTED TO APPEAR BEFORE THE BOARD FOR PRESENTATION PURPOSES (RADIO BROADCASTING):

Yeas – Trustees Beasley, Collins, Freeman, Milton, Moore, Orzech, Pegg, Scott, Stewart and Vice Chairman Bandemer – 10

NAYS – NONE

PUBLIC FORUM

AT 2:56 P.M., VICE CHAIRPERSON 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, VICE CHAIRPERSON BANDEMER ADJOURNED THE MEETING AT 2:58 P.M. UNTIL THURSDAY, APRIL 10, 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