

MEETING NUMBER 2678

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



PROCEEDINGS HELD THURSDAY, MAY 1, 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
Cynthia Thomas	Assistant Executive Secretary
Janet S. Lenear	Recording Secretary
Ronald Zajac	Legal Counsel
Joe Turner	Special Legal Counsel
Richard Huddleston	Investment Analyst

EXCUSED

Walter Stampor	Executive Secretary
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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:

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

Nays – None

Firm: Mayfield Gentry Realty Advisors, LLC
Date: April 17, 2008
Fund Name: Crossroads Corporate Park
Capital Call/Draw: \$20,428,000.00

Firm: MMA Realty Capital
Date: April 17, 2008
Fund Name: MRC Balanced Real Estate Fund, LP
Capital Call/Draw: \$2,734,500.00

Firm: MANN 1100
Date: April 18, 2008
Fund Name: Neal & FM 548-1076 (MANN 1100)

CAPITAL CALLS/DRAWS

Capital Call/Draw: \$320,678.00

Firm: SYN-COM

Date: April 22, 2008

Fund Name: Syndicated Communications Venture
Partners V, LP

Capital Call/Draw: \$87,138.00

Retirements – By Mr. Orzech – Supported by Mr. Scott

Resolved, That the retirement applications which are designated below be approved:

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

Nays – None

RETIREMENTS

NAME, TITLE, DEPARTMENT	DONALD ALTER – OFFICER - POLICE
RETIREMENT, PLAN	SERVICE - NEW
SERVICE CREDIT, EFFECTIVE DATE	25 02 01 – 07 07 08

NAME, TITLE, DEPARTMENT	JANICE MORTON – OFFICER - POLICE
RETIREMENT, PLAN	VESTED RETIREMENT - NEW
SERVICE CREDIT, EFFECTIVE DATE	16 08 15 – 05 17 08

NAME, TITLE, DEPARTMENT	LINDSEY PACE – OFFICER - POLICE
RETIREMENT, PLAN	SERVICE - NEW
SERVICE CREDIT, EFFECTIVE DATE	21 00 01 – 04 21 08

NAME, TITLE, DEPARTMENT	WILLIAM GOODEN – OFFICER - POLICE
RETIREMENT, PLAN	VESTED RETIREMENT - NEW
SERVICE CREDIT, EFFECTIVE DATE	15 10 06 – 05 16 08

NAME, TITLE, DEPARTMENT	REYNORD REED – OFFICER - POLICE
RETIREMENT, PLAN	SERVICE - NEW
SERVICE CREDIT, EFFECTIVE DATE	24 00 01 – 04 21 08

REFUNDS OF ACCUMULATED CONTRIBUTIONS

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

Nays – None

Minutes of April 3, 2008 and April 10, 2008

By Mr. Orzech – Supported by Mr. Bandemer

Resolved, That the minutes of the meeting held Thursday, April 3,
2008 be approved as recorded and submitted by the Board's
Recording Secretary, and be it further

Resolved, That the minutes of the meeting held Thursday, April 10,
2008 be approved as recorded and submitted by the Board's
Recording Secretary:

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

Nays – None

BILL PAYMENT REQUESTS

BY MR. BANDEMER – SUPPORTED BY MR. ORZECH

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:

BILL PAYMENT REQUESTS

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

ADP – APRIL 11, 2008 - \$6,179.03 – CONTRACT SERVICES

ADP – APRIL 18, 2008 - \$105.71 – CONTRACT SERVICES

ADP – APRIL 25, 2008 - \$95.92 – CONTRACT SERVICES

ADVENT – MARCH 31, 2008 - \$82,535.00 – 2008 FIRST QUARTER FEES

ALPHA PARTNERS – APRIL 9, 2008 - \$20,014.00 – 2008 FIRST QUARTER FEES

BANYAN REALTY ADVISORS – APRIL 24, 2008 - \$47,402.05 – 2008 FIRST QUARTER FEES

BLACKROCK – APRIL 10, 2008 - \$14,999.00 – 2008 FIRST QUARTER FEES

CLARK HILL – VARIOUS DATES - \$49,484.07 – LEGAL FEES

COMERICA – APRIL 1, 2008 - \$62.50 – 2008 FIRST QUARTER FEES

DELL MARKETING – APRIL 10, 2008 - \$1,047.84 – CONTRACT SERVICES

EARNEST PARTNERS – APRIL 18, 2008 - \$63,771.70 – 2008 FIRST QUARTER FEES

GRAPHIC SCIENCES – APRIL 10, 2008 - \$10,092.18 – CONTRACT SERVICES

HARLAND TECHNOLOGY – APRIL 18, 2008 - \$208.63 – COMPUTER SUPPLIES

INDEPENDENCE – APRIL 9, 2008 - \$48,958.00 – 2008 FIRST QUARTER FEES

BILL PAYMENT REQUESTS

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

IKON OFFICE SOLUTIONS – JANUARY 15, 2008 - \$301.21 – SUPPLIES

INCOME, RESEARCH & MANAGEMENT – APRIL 29, 2008 - \$43,150.98
– 2008 FIRST QUARTER FEES

IRON MOUNTAIN – MARCH 31, 2008 - \$87.54 – OFFICE SUPPLIES

IT STAFF/RETIREMENT SYSTEMS – APRIL 29, 2008 - \$64,435.38 –
COMPUTER PROGRAMMERS' APRIL 30, 2008 FEES

KENNEDY CAPITAL – APRIL 23, 2008 - \$475,777.00 – 2008 FIRST
QUARTER FEES

LOOMIS, SAYLES & COMPANY – APRIL 10, 2008 - \$47,545.28 – 2008
FIRST QUARTER FEES

MUNROS CAPITAL MANAGEMENT – APRIL 17, 2008 - \$131,377.28 –
2008 FIRST QUARTER FEES

NORTH POINT ADVISORS – APRIL 21, 2008 - \$29,000.00 – DUE
DILIGENCE FEES – I-NETWORKS AND AETOS CAPITAL

NORTH POINTE CAPITAL – APRIL 23, 2008 - \$110,629.38 – 2008
FIRST QUARTER FEES

OPPENHEIMER – APRIL 17, 2008 - \$172,364.27 – 2008 FIRST
QUARTER FEES

PAYDEN & RYGEL – APRIL 14, 2008 - \$17,719.00 – MARCH, 2008
FEES – ACCOUNT 1613

PAYDEN & RYGEL – APRIL 14, 2008 - \$10,526.00 – MARCH, 2008
FEES – ACCOUNT 1612

PENN CAPITAL – APRIL 14, 2008 - \$67,827.51 – 2008 FIRST
QUARTER FEES

BILL PAYMENT REQUESTS

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

PENSION BENEFIT INFORMATION – MARCH 12, 2008 - \$589.00 –
MISCELLANEOUS EXPENSES

PENSION BENEFIT INFORMATION – SEPTEMBER 11, 2007 - \$472.00 –
MISCELLANEOUS EXPENSES

PENSION BENEFIT INFORMATION – DECEMBER 4, 2007 - \$471.00 –
MISCELLANEOUS EXPENSES

PERSEUS PARTNERS – APRIL 23, 2008 - \$681,905.00 – 2008 FIRST
QUARTER FEES

PREFERRED DATA SYSTEMS – MARCH 31, 2008 - \$1,015.25 –
COMPUTER EQUIPMENT

PUGH CAPITAL MANAGEMENT – APRIL 22, 2008 - \$41,320.08 –
2008 FIRST QUARTER FEES

QUILL CORPORATION – APRIL 22, 2008 - \$25.85 – OFFICE SUPPLIES

QUILL CORPORATION – APRIL 22, 2008 - \$8.69 – OFFICE SUPPLIES

RHUMBLINE – APRIL 10, 2008 - \$24,296.38 – 2008 FIRST QUARTER
FEES

RHUMBLINE – APRIL 10, 2008 - \$3,721.15 – 2008 FIRST QUARTER
FEES

STEWARD CAPITAL – APRIL 7, 2008 - \$43,372.53 – 2008 FIRST
QUARTER FEES

TCW – APRIL 16, 2008 - \$85,204.97 – 2008 FIRST QUARTER FEES

TECH DEPOT – APRIL 10, 2008 - \$83.04 – OFFICE SUPPLIES

BILL PAYMENT REQUESTS

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

TECH DEPOT – APRIL 9, 2008 - \$29.28 – OFFICE SUPPLIES

TRANSAMERICA – APRIL 3, 2008 - \$61,635.00 – 2008 FIRST
QUARTER FEES

TT INTERNATIONAL – APRIL 21, 2008 - \$170,491.11 – 2008 FIRST
QUARTER FEES

VERIZON WIRELESS – APRIL 4, 2008 - \$1,640.68 – PHONE SERVICES

XJJ COMPANY – APRIL 29, 2008 - \$23,925.87 – EMPLOYEE PAYROLL
FOR THE PERIOD MARCH 24, 2008 THROUGH APRIL 18, 2008

ZONES – APRIL 24, 2008 - \$173.00 – OFFICE SUPPLIES

ZONES – APRIL 24, 2008 - \$145.00 – OFFICE SUPPLIES

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

Nays – None

Finance/Retirement Petty Cash Account

By Mr. Bandemer – Supported by Mr. Orzech

Whereas, The present balance of the Finance/Retirement Petty Cash
account is \$141,46 and

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

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

Finance/Retirement Petty Cash Account

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

Police and Fire Retirement System: \$ 484.77

General Retirement System: \$1,373.77

and be it further

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

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

Nays – None

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

By Mr. Bandemer – 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:

Gary Abair – Police – 230995

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

Terry Harriman – Fire – 178353

Edwin Hightower – Police – 235264

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

Nays – None

The Request of Tyrone Johnson - 232492

By Mr. Scott – Supported by Mr. Bandemer

Whereas, Tyrone Johnson has presented the Board with a written request to return to work from disability retirement, Therefore be it

Resolved, That Mr. Johnson’s medical file be forwarded to the Board’s Medical Director and the Board’s Medical Director be requested to schedule an examination appointment on Mr. Johnson’s behalf:

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

Nays – None

Fire Department Election Results

The Chairman directed that an April 28, 2008 communication from Fire Commissioner Tyrone Scott indicating that Gregory Best is declared to be duly re-elected to the office of Trustee of the Police and Fire Retirement System for the term commencing July 1, 2008 and terminating June 30, 2011 (as he ran unopposed for re-election)) be made a matter of record and that Mr. Best make arrangements to be administered the Oath of Office prior to July 1, 2008. The Chairman also directed that a copy of Fire Commissioner’s April 28, 2008 communication be submitted to the City Clerk’s office.

Legal Counsel's Reports

Legal Counsel Ronald Zajac discussed various matters with the Board, including Grant and Eisenhofer, Steward Capital Management, Yahoo!, Inc., the IRS, Dott Industries, Income, Research & Management, Orleans Capital Management, JP Morgan, New Amsterdam Activation II, Loop Capital, the Trizetto Group and Lawrence versus Lawrence.

Loop Capital

Each Trustee was provided with a copy of a memo from North Point Advisors referencing fees to Loop Capital. Special Legal Counsel indicated that the closing on this transaction is scheduled to promptly occur.

Internal Revenue Service Refunds

The Board was made aware of receipt of three refund/repayment checks in the amounts of \$1,088,795.07, \$2,524,021.18, and \$1,469,823.39 for a total of \$5,082,639.41 which will be forwarded to the City of Detroit pursuant to prior agreement with the City of Detroit because the funds refunded/repaid by the Internal Revenue Service were originally provided by the City of Detroit.

Trizetto Group, Inc.

Each Board member was provided with a copy of an April 30, 2008 "Complaint Based Upon Self-Dealing and Breach of Fiduciary Duty" (consisting of 15, pages) from Special Legal Counsel Kohn, Swift and Graf regarding the above-captioned matter.

Dott Industries Acquisition, LLC

By Mr. Orzech – Supported by Mr. Bandemer

Whereas, The Board has been requested to select a manager/director to serve on the Dott Board of Directors, and

Whereas, The Board has discussed said request, Therefore be it

Dott Industries Acquisition, LLC

Resolved, That Trustee Jeffrey Pegg is hereby selected to serve on Dott's Board of Directors, and be it further

Resolved, That a copy of this resolution be forwarded to Dott Industries and the Board's Special Legal Counsel:

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

Nays – None

Steward Real Estate Partners Fund I. L.P.

By Mr. Bandemer – Supported by Mr. Scott

WHEREAS, THE BOARD HAS BEEN REQUESTED TO EXECUTE AN EXTENSION REQUEST (12 MONTHS) RELATIVE TO THE AFORESAID TRANSACTION, AND

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 RETURNED TO STEWARD REAL ESTATE, AND BE IT FURTHER

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

Steward Real Estate Partners Fund I. L.P.

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

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

Nays – None

Trustee Moore entered the Meeting.

Trustee Milton entered the Meeting.

Trustee Stewart temporarily excused himself.

LAWRENCE VERSUS LAWRENCE
WAYNE COUNTY CASE NUMBER 07-217272-DM

BY MR. ORZECH – SUPPORTED BY MR. BANDEMER

WHEREAS, THE BOARD IS IN RECEIPT OF A JUNE 25, 2007 NOTARIZED REQUEST FROM ALTERNATE PAYEE KELLI RENE JOINER (FORMERLY KELLI RENE LAWRENCE) WHICH EFFECTIVELY AMENDS THE TERMS OF A JULY 30, 2004 COURT ORDER WHICH CONSTITUTES A REQUEST FOR REDUCTION IN BENEFITS TO ALTERNATE PAYEE, AND

WHEREAS, THE BOARD PREVIOUSLY ADOPTED A RESOLUTION ON OCTOBER 14, 1994, THEREFORE BE IT

RESOLVED THAT THE BOARD ACKNOWLEDGE RECEIPT OF SAID NOTARIZED JUNE 25, 2007 REQUEST FROM ALTERNATE PAYEE TO WAIVE A PORTION OF THE DEFINED CONTRIBUTION PLAN AWARDED TO ALTERNATE PAYEE PURSUANT TO SAID COURT ORDER AND PAY BENEFITS CONSISTENT WITH THE JUNE 25, 2007 NOTARIZED REQUEST, 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 KELLI RENE JOINER AND ADRIAN CHARLES LAWRENCE:

LAWRENCE VERSUS LAWRENCE
WAYNE COUNTY CASE NUMBER 07-217272-DM

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

Nays – None

JP MORGAN ASSET MANAGEMENT
JP MORGAN URBAN RENAISSANCE FUND PROPOSAL

BY MR. ORZECH – SUPPORTED BY MR. PEGG

WHEREAS, THE BOARD PREVIOUSLY ADOPTED A RESOLUTION OF INTEREST SUBJECT TO CERTAIN CONDITIONS BEING MET, AND

WHEREAS, THE BOARD HAS REVIEWED THE LETTER FORWARDED TO JP MORGAN ASSET MANAGEMENT DATED JANUARY 31, 2008 SIGNED BY THE BOARD'S EXECUTIVE SECRETARY ON BEHALF OF THE RETIREMENT SYSTEM, AND

WHEREAS, THE BOARD HAS CONSIDERED THE REQUEST MADE APRIL 17, 2008 FOR A SUPPLEMENTAL LETTER TO THE JANUARY 31, 2008 LETTER, AND

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

RESOLVED, THAT THE BOARD HAS NO FURTHER INTEREST IN THIS PROPOSED INVESTMENT, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO JP MORGAN ASSET MANAGEMENT AND THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEMS:

Yeas – Trustees Bandemer, Collins, Orzech, Pegg, Scott and Chairman Best – 6

Nays – Trustees Freeman, Milton and Moore – 3

Trustee Stewart re-joined the Meeting.

CLOSED SESSION

By Mr. Bandemer – Supported by Mr. Milton

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, Freeman, Milton, Moore, Orzech, Pegg, Scott, Stewart and Chairman Best – 10

Nays – None

The Board entered into Closed Session at 9:35 A.M.

OPEN SESSION

By Mr. Orzech – Supported by Mr. Bandemer

Resolved, That the Board return to Open Session:

A Roll Call Vote was taken as follows:

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

Nays – None

The Board returned to Open Session at 9:47 A.M.

The Board discussed GVC Winstar with Special Legal Counsel Couzens Lansky (Jerry Ellis) via phone conference during Closed Session.

GVC Winstar

By Mr. Orzech – Supported by Mr. Bandemer

Whereas, During Closed Session this date, the Board had a discussion with Special Legal Counsel Couzens Lansky regarding developments regarding GVC, and

Whereas, Special Legal Counsel discussed the issue of \$35,000 involving amounts owed to GVC by the U. S. government regarding phone services provided, and

Whereas, Special Legal Counsel and the Board's General Counsel recommend the Board allow the use of \$35,000 specifically for the reasons indicated in Closed Session, Therefore be it

Resolved, That the Board approves the use of \$35,000 which funds are provided by the U. S. government consistent with the Board's discussion of this date, and be it further

Resolved, That a copy of this resolution be forwarded to Couzens Lansky and the Accounting Division of the Retirement Systems:

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

Nays – None

RETIREMENT SYSTEM DATA PROCESSING CONTRACTUAL EMPLOYEES,
EXECUTIVE SECRETARY, ASSISTANT EXECUTIVE SECRETARY

BY MR. ORZECH – SUPPORTED BY MR. MILTON

RESOLVED, THAT THE BOARD OBTAIN THE SERVICES OF A CONSULTING FIRM TO SURVEY THE POSITIONS OF THE RETIREMENT SYSTEMS' DATA PROCESSING CONTRACTUAL EMPLOYEES, EXECUTIVE SECRETARY AND ASSISTANT EXECUTIVE SECRETARY AND PROVIDE COMPARABLE SALARIES AND BENEFITS:

RETIREMENT SYSTEM DATA PROCESSING CONTRACTUAL EMPLOYEES,
EXECUTIVE SECRETARY, ASSISTANT EXECUTIVE SECRETARY

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

Nays – None

CLOSED SESSION

By Mr. Moore – Supported by Mr. Bandemer

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, Freeman, Milton, Moore, Orzech,
Pegg, Scott, Stewart and Chairman Best – 10

Nays – None

The Board entered into Closed Session at 9:58 A.M.

Trustee Bandemer temporarily excused himself.

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:

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

Nays – None

The Board returned to Open Session at 10:05 A.M.

RDD Investment Corporation

The Board discussed RDD Investment Corporation with Special Legal Counsel Clark Hill (Joe Turner) during Closed Session.

Trustee Bandemer re-joined the Meeting.

Trustee Beasley entered the Meeting.

HELICON HOLDINGS

JIMMY PAPPAS DISCUSSED 1001 WOODWARD AVENUE AT LENGTH WITH THE BOARD AND THEN EXCUSED HIMSELF.

ENERGY INVESTORS FUND

TRUSTEE ORZECH DISCUSSED THE ENERGY INVESTORS MEETING HE ATTENDED LAST WEEK WITH THE BOARD.

MMA FINANCIAL

THE BOARD DISCUSSED THE RED RIVER LANDING LOAN (AND 4 OTHER LOANS) WITH PAUL BERNARD VIA PHONE CONFERENCE.

EVERGREEN INVESTMENTS

LORI BUFFUM AND ASSOCIATE FRANCIS CLAROS DISCUSSED MANAGEMENT CHANGES AND PERFORMANCE AND THE EXCUSED THEMSELVES.

ASI ADVISORS/TRADE WINDS AIRLINES

ADRIAN ANDERSON (OF NORTH POINT ADVISORS) JOINED THE BOARD IN LISTENING TO DONALD STUKES DISCUSS TRADE WINDS AIRLINES.

THE BOARD THEN EXCUSED MR. STUKES.

TRADE WINDS AIRLINES
\$10,000,000.00 ADDITIONAL FUNDING

By Ms. Collins – Supported by Mr. Scott

WHEREAS, the Board of Trustees of the Police and Fire Retirement System of the City of Detroit (the “Board”) and the General Retirement System of the City of Detroit (GRS) each previously made a \$15 million secured loan to Borrower, and

WHEREAS, the Board has had the foregoing investment proposal under consideration, the basic and general proposed conditions of which are set forth in a presentation booklet, consisting of a memorandum dated April 28, 2008 from Donald V. Watkins to the Board of Directors of Trade Winds Airlines consisting of 7 pages, plus a valuation model, and discussed this date to which certain modifications and additional requirements will be added by the Board or Advisors to the Board per discussion between or with the Board members and/or per negotiations with project sponsors, and

WHEREAS, during the aforementioned presentation, it was noted that the additional funding request was needed for Borrower’s acquisition of (i) two (2) airlines (Evergreen International Aviation Inc. and Arrow Air Inc.), and (ii) certain assets of a third airline company (Gemini Air Cargo), and that following such acquisitions the Board, along with the PFRS, will own a collective 30% interest in Borrower, which is projected to have a \$1.2 billion post-acquisition value, and

WHEREAS, during the presentation, via teleconference, the Board received a verbal preliminary report from its due diligence advisor, North Point Advisors (the Board’s Advisor); and

WHEREAS, the Board has indicated its willingness to further consider making the proposed investment, subject to additional conditions and terms which may be required by the Board per suggestion of Special Legal Counsel and/or General Counsel after further discussion with and/or review by the Board’s Advisor, and after the Board’s Special Legal Counsel commences the review/drafting/editing of transaction documents; and

TRADE WINDS AIRLINES
\$10,000,000.00 ADDITIONAL FUNDING

WHEREAS, the Board's contingent further consideration of the proposed investment is also conditioned upon the understanding that the proposed transaction does not contemplate or generate Unrelated Business Taxable Income (UBTI) to the Retirement System as an investor; and

WHEREAS, the policies of the Board require, inter alia, that:

- A. All due diligence costs be paid by, or on behalf of, project sponsor/borrower/other applicable party which estimated costs are to be escrowed with the Retirement System prior to due diligence services being rendered by the due diligence advisor.
- B. All legal costs be paid by, or on behalf of, project sponsor/borrower/other applicable party which estimated costs are to be escrowed with the Retirement System prior to such legal services being rendered by the Special Legal Counsel.
- C. Special Legal Counsel be designated by the Board or General Counsel.
- D. No UBTI be applicable to the Retirement System.
- E. Approval of wire transfers of amounts contemplated by transaction documents is subject (as applicable) to written approval by Special Legal Counsel, General Counsel and by, or on behalf of, the Executive Secretary or Assistant Executive Secretary.
- F. This resolution indicates only the Board's further interest in making the proposed investment and does not constitute approval to make the investment; provided, however, the Board's policy is to complete the investment if all requirements of the Board are met.

TRADE WINDS AIRLINES
\$10,000,000.00 ADDITIONAL FUNDING

- G. Project Sponsor [The applicable party] is responsible for payment of due diligence costs and legal fees even if the proposed investment is not completed by the Retirement System for any reason.
- H. The Retirement System is subject to P.A. 314 of 1965 (MCLA 38.1132, et seq.) as amended (Act 314). The ability of the Retirement System to make the investment is subject to availability of funds consistent with statutory limitations. Project sponsor/borrower/applicable party has the obligation to be aware of statutory limitations and whether the Retirement System will be within Act 314 limitations.
- I. Any modifications to the proposed investment will be made to comply with the Board's policies and any other requirements of the Board (developed with the assistance of the due diligence and/or Special Legal Counsel or General Counsel).
- J. The project sponsor/borrower/applicable party must provide written acknowledgment of this resolution and agreement to the terms and requirements herein as a primary requirement of the process proceeding.
- K. Any commitment or other preliminary transaction documents signed by the Board include the provision that all final [transaction] [loan] documents are subject to approval as to form and content by the Board, Board's Advisor and Special Legal Counsel, if applicable, and approval as to form and content by General Counsel.
- L. Estimated costs of due diligence and legal services shall be escrowed by or on behalf of the Project Sponsor, prior to actions taken by the due diligence advisor and/or Special Legal Counsel, and

TRADE WINDS AIRLINES
\$10,000,000.00 ADDITIONAL FUNDING

WHEREAS, Special Legal Counsel selected regarding this proposed investment may be submitting proposed modifications regarding the proposed transaction to protect the interests of the Retirement System; and

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

RESOLVED, that subject to the requirements as stated in this resolution, the Board conditionally approves the proposed investment, and indicates its intention to complete the transaction provided all requirements of the Board are met by applicable parties, that subject to the requirements as stated in this resolution, and indicates its intention to complete the transaction provided all requirements of the Board are met by applicable parties, and hereby approves a \$10 million additional funding to Borrower, consisting of \$5 million debt and \$5 million equity, subject to terms and conditions set forth herein, including, but not limited to, the following:

*the collective 5% equity give-back provision from the original financing is deleted;

*a collective 5% additional equity interest in Borrower (the Board and GRS receive an additional 2.5% each;

*increase the Donald V. Watkins Personal Guarantee from \$30 million to \$40 million;

*with respect to the \$5 million equity contribution, collectively the Board and GRS receive an additional 10% equity interest in Borrower (Board 5%; and GRS 5%);

TRADE WINDS AIRLINES
\$10,000,000.00 ADDITIONAL FUNDING

*with respect to the \$5 million equity contribution, the Board and GRS collectively will receive one (1) additional seat on the Tradewinds Board of Directors; and

*The approval was conditioned upon the GRS Board approving identical terms and conditions, subject to approval of final documents by Special Legal Counsel, General Counsel and the Board, and be it further

RESOLVED, the proceeds of the additional funding shall be utilized to fund for and disbursed commensurate with Borrower's acquisition of (i) two (2) airlines (Evergreen International Aviation Inc. and Arrow Air Inc.), and (ii) certain assets of a third airline company (Gemini Air Cargo), subject to the Board, along with the GRS, owning a collective 30% interest in Borrower, which is projected to have a \$1.2 billion post-acquisition value (per the presentation), and be it further

RESOLVED, that subject to the requirements as stated in this resolution, the Board continues conditionally approves the proposed investment, and indicates its intention to complete the transaction provided all requirements of the Board are met by applicable parties, subject to approval of final documents by Special Legal Counsel, General Counsel and the Board, and be it further

RESOLVED, that the foregoing is as indicated in item J. above is subject to receipt by the Board of written acknowledgment from proposed applicable party that said party has received a copy of this resolution and acknowledges and agrees to the conditions and requirements therein, and be it further

RESOLVED, that Clark Hill, PLC is selected as Special Legal Counsel, and be it further

TRADE WINDS AIRLINES
\$10,000,000.00 ADDITIONAL FUNDING

RESOLVED, that a copy of this resolution be forwarded to the project sponsor/borrower/applicable party, the Board's Advisor and Special Legal Counsel:

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

Nays – None

TAILWIND CAPITAL

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

RESOLVED, THAT LAWRENCE SORREL AND ANY ASSOCIATE(S) OF HIS CHOOSING BE REQUESTED TO APPEAR BEFORE THE BOARD FOR PRESENTATION (PRIVATE EQUITY) PURPOSES:

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

Nays – None

MMA FINANCIAL, LLC

THE BOARD DISCUSSED THE RED RIVER LANDING LOAN (AND 4 OTHER LOANS) WITH PAUL BERNARD VIA PHONE CONFERENCE.

Up to \$1,700,000.00 Mortgage Loan to New Amsterdam Activation II, LLC – Intercreditor Agreement

By Mr. Bandemer – Supported by Mr. Stewart

WHEREAS, the Board has been requested to execute an Intercreditor Agreement to be dated the date of closing relative to the aforesaid transaction, and

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

Up to \$1,700,000.00 Mortgage Loan to New Amsterdam Activation II,
LLC – Intercreditor Agreement

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 documents are consistent with prior action of the Board,

RESOLVED, that said document be executed by two authorized signatories on behalf of the Board:

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

Nays – None

TRIZETTO GROUP, INC.

BY MR. STEWART – SUPPORTED BY MR. BEASLEY

WHEREAS, THE SYSTEM OWNS 1,430 SHARES OF TRIZETTO GROUP, INC. STOCK, AND

WHEREAS, KOHN, SWIFT AND GRAF HAS INQUIRED WHETHER THE RETIREMENT SYSTEM IS INTERESTED IN FILING AN ACTION AGAINST TRIZETTO GROUP, INC. AND

WHEREAS, THE BOARD HAS DISCUSSED THIS MATTER, AND

WHEREAS, THE BOARD DEEMS IT APPROPRIATE TO SEEK TO FILE AN ACTION AGAINST TRIZETTO GROUP, INC., THEREFORE BE IT

RESOLVED, THAT THE BOARD SEEK TO FILE AN ACTION AGAINST TRIZETTO GROUP, INC., AND BE IT FURTHER

RESOLVED, THAT KOHN, SWIFT AND GRAF 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

TRIZETTO GROUP, INC.

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

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

Nays – None

JUNE 12, 2008 BOARD MEETING CANCELLATION

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

RESOLVED, THAT THE POLICE AND FIRE RETIREMENT SYSTEM BOARD MEETING OF THURSDAY, JUNE 12, 2008 BE CANCELLED AND THE APPROPRIATE PARTIES NOTIFIED:

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

Nays – None

MMA REALTY CAPITAL
MMIT MASTER NOTE FROM MMA AFFILIATES

BY MR. BANDEMER – SUPPORTED BY MS. COLLINS

Whereas, The Board has been requested to execute a March 31, 2008 Acknowledgement Letter relative to the foregoing transaction, and

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

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

MMA REALTY CAPITAL
MMIT MASTER NOTE FROM MMA AFFILIATES

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 returned to MMA Realty Capital, and be it further

Resolved, That the Accounting Division of the Retirement Systems retain a copy of said executed original document:

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

Nays – None

SENECA CAPITAL MANAGEMENT

BY MR. BEASLEY – SUPPORTED BY MS. FREEMAN

WHEREAS, THE BOARD HAS DETERMINED, FOLLOWING DISCUSSION ON THIS DATE, TO MAKE ADDITIONAL INVESTMENTS IN TRADE WINDS AIRLINES IN THE AGGREGATE AMOUNT OF \$10,000,000.00, AND

WHEREAS, THE BOARD IS AWARE OF PUBLIC ACT 314 OF 1965, AS AMENDED, STATUTORY PERCENTAGE LIMITATIONS OF CERTAIN CATEGORIES OF INVESTMENTS, THEREFORE BE IT

RESOLVED, THAT SENECA SELL \$10,000,000.00 OF BELOW INVESTMENT GRADE BONDS HELD IN ACCOUNT NUMBER 591383, AND BE IT FURTHER

RESOLVED, THAT MORGAN STANLEY BE UTILIZED AS THE BROKER OF RECORD BY SENECA TO EFFECTUATE THE SALE OF THE SECURITIES SELECTED BY SENECA, AND BE IT FURTHER

RESOLVED, THAT THE PROCEEDS OF THIS LIQUIDATION BE TRANSFERRED TO THE BOARD'S LIQUID RESERVE ACCOUNT (591355)

SENECA CAPITAL MANAGEMENT

AND BE UTILIZED TO FUND THE TRADE WINDS AIRLINES INVESTMENT (\$10,000,000.00), AND BE IT FURTHER

RESOLVED, THAT THE BOARD'S EXECUTIVE SECRETARY AND INVESTMENT ANALYST MAKE THE APPROPRIATE ARRANGEMENTS TO EFFECTUATE THE FOREGOING, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO SENECA, MORGAN STANLEY, ASI ADVISORS, THE BANK OF NEW YORK MELLON (THE BOARD'S CUSTODIAL BANK), THE BOARD'S EXECUTIVE SECRETARY, THE BOARD'S ASSISTANT EXECUTIVE SECRETARY, THE BOARD'S INVESTMENT ANALYST AND THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEMS:

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

NAYS – NONE

CONFERENCE

BY MR. ORZECH – SUPPORTED BY MR. BANDEMER

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, 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:

Walton Street Real Estate Funds Conference
Chicago
June 9, 2008

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

NAYS – NONE

INCOME, RESEARCH & MANAGEMENT, INC.

By Mr. Stewart – Supported by Mr. Bandemer

WHEREAS, the Board of Trustees of the Police and Fire Retirement System of the City of Detroit (the Board) has previously approved the engagement of Income Research & Management Inc. (the Manager), as a Commercial Mortgage Backed Securities (CMBS) portfolio manager, and

WHEREAS, the Manager has agreed to sign the Amended and Restated Investment Management Agreement which was prepared by Clark Hill, PLC (Special Counsel), and approved by North Point Advisors (the Board's Advisor) and General Counsel (collectively, the Board's Advisors), and

WHEREAS, upon Special Counsel's receipt of the executed Investment Management Agreement, the Board's Advisors recommend that the Board sign the Investment Management Agreement, and

WHEREAS, the Board has considered this matter, and THEREFORE BE IT

RESOLVED, the Board hereby approves two authorized signatories, on behalf of the Board, to sign the Investment Management Agreement, subject to Special Counsel's receipt of two (2) signed execution originals of said agreements executed by the Manager's signatories, and be it further

RESOLVED, a fully executed original of the document be distributed to the Assistant Executive Secretary and the Manager, and copies maintained by the Special Counsel, and be it further

RESOLVED, that the provisions of the January 17, 2008 Resolutions requiring the Manager to pay special counsel fees shall be rescinded and all other provisions of said resolutions shall remain effective, and be it further

RESOLVED, that a copy of this resolution be forwarded to the Manager, the Board's Advisor, and Special Counsel:

INCOME, RESEARCH & MANAGEMENT, INC.

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

NAYS – NONE

ORLEANS CAPITAL MANAGEMENT

By Mr. Stewart – Supported by Mr. Bandemer

WHEREAS, the Board of Trustees of the Police and Fire Retirement System of the City of Detroit (the Board) has previously approved the engagement of Orleans Capital Management Corporation (the Manager), as an energy opportunities portfolio manager, and

WHEREAS, the Manager has agreed to sign the Investment Management Agreement which was prepared by Clark Hill, PLC (Special Counsel), and approved by North Point Advisors (the Board's Advisor) and General Counsel (collectively, the Board's Advisors), and

WHEREAS, upon Special Counsel's receipt of the executed Investment Management Agreement, the Board's Advisors recommend that the Board sign the Investment Management Agreement, and

WHEREAS, the Board has considered this matter, and THEREFORE BE IT

RESOLVED, the Board hereby approves two authorized signatories, on behalf of the Board, to sign the Investment Management Agreement, subject to Special Counsel's receipt of two (2) signed execution originals of said agreements executed by the Manager's signatories, and be it further

RESOLVED, a fully executed original of the document be distributed to the Assistant Executive Secretary and the Manager, and copies maintained by the Special Counsel, and be it further

RESOLVED, that a copy of this resolution be forwarded to the Manager, the Board's Advisor, and Special Counsel:

ORLEANS CAPITAL MANAGEMENT

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

NAYS – NONE

PUBLIC FORUM

AT 3:00 P.M., CHAIRPERSON 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, CHAIRPERSON BEST ADJOURNED THE MEETING AT 3:10 P.M. UNTIL THURSDAY, MAY 8, 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