

MEETING NUMBER 2773

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



PROCEEDINGS HELD THURSDAY, FEBRUARY 18, 2010
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
Gregory Best	Elected Trustee
Ralph Godbee	Ex/Officio Trustee
Cheryl R. Johnson	Ex/Officio Trustee/Treasurer
Brenda Jones	Ex/Officio Trustee/Council Member
Kirk Lewis	Ex/Officio Trustee
James Mack	Ex/Officio Trustee/Fire Commissioner
James Moore	Elected Trustee/Vice Chairperson
Sean Neary	Elected Trustee
Jeffrey Pegg	Elected Trustee/Chairperson
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

Jeffrey Pegg

VICE CHAIRPERSON

James Moore

AT THE CHAIR'S DIRECTION, ROLL CALL WAS TAKEN AT 9:08 A.M. BY THE BOARD'S RECORDING SECRETARY AND THE MEETING WAS CALLED TO ORDER.

CLOSED SESSION

BY MR. STEWART – SUPPORTED BY MR. LEWIS

WHEREAS, The **Board's Medical Director** is now before the Board of Trustees of the Police and Fire Retirement System of the City of Detroit to discuss the medical and psychiatric reports of individuals who have applied for disability retirement and the medical and psychiatric reports of individuals who have received re-examinations, and

WHEREAS, The **Michigan Open Meetings Act** provides for Closed Sessions in certain circumstances, including the foregoing matter, and

WHEREAS, The Board has discussed this matter consistent with the Michigan Open Meetings Act, Therefore be it

RESOLVED, That the Board enter into **Closed Session** consistent with the Michigan Open Meetings Act:

A Roll Call vote was taken as follows:

YEAS – TRUSTEES BANDEMER, BEST, JOHNSON, LEWIS, MOORE, NEARY,
STEWART AND CHAIRMAN PEGG – 8

NAYS – NONE

The Board entered into **Closed Session** at 9:08 A.M.

OPEN SESSION

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

Resolved, That the Board return to **Open Session**:

A Roll Call vote was taken as follows:

YEAS – TRUSTEES BANDEMER, BEST, GODBEE, JOHNSON, JONES, LEWIS,
MACK, MOORE, NEARY, STEWART AND CHAIRMAN PEGG – 11

NAYS – NONE

The Board returned to **Open Session** at 9:25 A.M. and the Board's Medical Director was excused for the remainder of the Meeting.

DISABILITY RETIREMENT APPLICATIONS

NAME	RHONDA ROGERS
TITLE	OFFICER
DEPARTMENT	POLICE
PENSION NO./SSN	
DISABILITY TYPE	NON-DUTY – NEW – DEPARTMENT REQUEST
INJURY (INJURIES)	LUPUS DISEASE
RECOMMENDATION	NOT DISABLED
BOARD ACTION	DENY

NAME	NYRA TURNER
TITLE	OFFICER
DEPARTMENT	POLICE
PENSION NO./SSN	
DISABILITY TYPE	DUTY – NEW – DEPARTMENT REQUEST
INJURY (INJURIES)	LEFT SHOULDER
RECOMMENDATION	DISABLED, DUTY CONNECTED
BOARD ACTION	APPROVE

RHONDA ROGERS - #237102

BY MR. MOORE – SUPPORTED BY MR. STEWART

WHEREAS, ON OCTOBER 15, 2009, RHONDA ROGERS ATTENDED A HEARING BEFORE THE BOARD OF TRUSTEES RELATIVE TO THE POLICE DEPARTMENT'S APPLICATION TO RETIRE HER ON NON-DUTY DISABILITY, AND

WHEREAS, PRIOR TO ACTING UPON THE DEPARTMENT'S REQUEST, THE BOARD DIRECTED MS. ROGERS TO SEEK AN EXAMINATION BY A RHEUMATOLOGIST TO ASCERTAIN WHETHER SHE IS CAPABLE OF PERFORMING THE FULL DUTIES OF AN OFFICER AND TO HAVE THE RHEUMATOLOGIST COMPLETE AND RETURN TO THE SYSTEM'S RECORDING SECRETARY THE DEPARTMENT'S QUESTIONNAIRE (CONSISTING OF 24 QUESTIONS) TITLED, "ESSENTIAL JOB FUNCTIONS OF A LAW ENFORCEMENT OFFICER," AND

WHEREAS, MS. ROGERS OBTAINED SAID EXAMINATION AND THE QUESTIONNAIRE WAS COMPLETED AND SUBMITTED TO THE SYSTEM'S RECORDING SECRETARY, WHO, IN TURN, SUBMITTED IT TO THE BOARD'S MEDICAL DIRECTOR, AND

WHEREAS, THE BOARD'S MEDICAL DIRECTOR HAS REPORTED TO THE BOARD THIS DATE THAT MS. ROGERS IS CAPABLE OF PERFORMING THE 24 FUNCTIONS OF AN OFFICER, THEREFORE BE IT

RESOLVED, THAT BASED UPON THE BOARD'S MEDICAL DIRECTOR'S REPORT, THE BOARD HEREBY DENIES THE POLICE DEPARTMENT'S APPLICATION FOR MS. ROGERS' NON-DUTY DISABILITY RETIREMENT, AND BE IT FURTHER

RESOLVED, THAT MS. ROGERS BE APPRISED OF HER RIGHT TO APPEAL SAID ACTION PURSUANT TO PROCEDURES ESTABLISHED BY COLLECTIVE BARGAINING, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO RHONDA ROGERS, AND THE POLICE DEPARTMENT:

TRUSTEE BRENDA JONES ENTERED THE MEETING.

YEAS – TRUSTEES BANDEMER, BEST, JOHNSON, JONES, LEWIS, MOORE, NEARY,
STEWART AND CHAIRMAN PEGG – 9

NAYS – NONE

TRUSTEE JAMES MACK AND LEGAL COUNSEL RONALD ZAJAC ENTERED THE MEETING.

NYRA TURNER

BY MR. STEWART – SUPPORTED BY MR. MOORE

RESOLVED, THAT THE BOARD ACCEPT THE REPORT AND RECOMMENDATION OF ITS MEDICAL DIRECTOR REGARDING NYRA TURNER, AND BE IT FURTHER

RESOLVED, THAT BASED UPON THE BOARD'S MEDICAL DIRECTOR'S RECOMMENDATION, THE BOARD HEREBY APPROVES THE POLICE DEPARTMENT'S APPLICATION FOR MS. TURNER'S DUTY DISABILITY RETIREMENT, AND BE IT FURTHER

RESOLVED, THAT MS. TURNER BE APPRISED OF HER RIGHT TO APPEAL SAID ACTION PURSUANT TO PROCEDURES ESTABLISHED BY COLLECTIVE BARGAINING:

TRUSTEE RALPH GODBEE ENTERED THE MEETING.

YEAS – TRUSTEES BANDEMER, BEST, GODBEE, JOHNSON, JONES, LEWIS, MACK, MOORE, NEARY, STEWART AND CHAIRMAN PEGG – 11

NAYS – NONE

RE-EXAMINATIONS

BY MR. MACK – SUPPORTED BY MR. BEST

RESOLVED, THAT THE FOLLOWING DIRECTIVES BE APPROVED IN ACCORDANCE WITH THE RECOMMENDATION OF THE BOARD'S MEDICAL DIRECTOR:

RE-EXAMINATIONS

NAME DEPARTMENT DISABILITY TYPE RE-EXAM NUMBER	CONTINUE ON DISABILITY RETIREMENT PAYROLLS WITH NEXT RE-EXAM IN ONE (1) YEAR	CONTINUE ON DISABILITY RETIREMENT PAYROLLS. NO FURTHER RE-EXAMS REQUIRED	CONTINUE ON DISABILITY RETIREMENT PAYROLLS. MUST RECEIVE NEXT RE-EXAM IN DETROIT, MICHIGAN
HERMAN HURST – FIRE – DUTY – FIRST		X	

STEVEN RASSCHAERT – FIRE – DUTY – SECOND	X		
MAYA REECE – POLICE – NON-DUTY – SECOND	X		
MAJOR RUSSELL – FIRE – DUTY – SIXTH – RETURN TO WORK REQUEST	RETURN MR. RUSSELL TO WORK AND REMOVE HIS NAME FROM THE DISABILITY RETIREMENT PAYROLLS AS OF THE DATE HE RETURNS TO WORK		
FRED SAFFOLD – POLICE – DUTY – FOURTH	X		

YEAS – TRUSTEES BANDEMER, BEST, GODBEE, JOHNSON, JONES, LEWIS, MACK, MOORE, NEARY, STEWART AND CHAIRMAN PEGG – 11

NAYS – NONE

SERVICE RETIREMENT

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

RESOLVED, THAT VELMA TUTT’S SERVICE RETIREMENT APPLICATION, WHICH IS REFERENCED BELOW, BE APPROVED:

SERVICE RETIREMENT

NAME, TITLE, DEPARTMENT: VELMA TUTT – OFFICER - POLICE
 RETIREMENT TYPE, PLAN: SERVICE - NEW
 SERVICE CR./EFFECTIVE DATE: 23 00 17 – 02 26 10

YEAS – TRUSTEES BANDEMER, BEST, GODBEE, JOHNSON, JONES, LEWIS, MACK, MOORE, NEARY, STEWART AND CHAIRMAN PEGG – 11

NAYS – NONE

DROP RETIREMENTS

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

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

DROP RETIREMENTS

NAME, TITLE, DEPARTMENT: MICHAEL HERRON – BATTALION FIRE CHIEF
- FIRE
RETIREMENT TYPE, PLAN: DROP - NEW
SERVICE CR./EFFECTIVE DATE: 35 03 18 – 01 14 10

NAME, TITLE, DEPARTMENT: EDWARD SMITH, III – DEPUTY FIRE CHIEF -
FIRE
RETIREMENT TYPE, PLAN: DROP - NEW
SERVICE CR./EFFECTIVE DATE: 39 03 06 – 01 11 10

NAME, TITLE, DEPARTMENT: MORRIS WELLS – INSPECTOR - PCOA
RETIREMENT TYPE, PLAN: DROP - NEW
SERVICE CR./EFFECTIVE DATE: 34 01 16 – 01 15 10

NAME, TITLE, DEPARTMENT: LEONARD HILL – SERGEANT - POLICE
RETIREMENT TYPE, PLAN: DROP - NEW
SERVICE CR./EFFECTIVE DATE: 27 11 01 – 12 01 09

NAME, TITLE, DEPARTMENT: ERNEST WHITE – LIEUTENANT - POLICE
RETIREMENT TYPE, PLAN: DROP - NEW
SERVICE CR./EFFECTIVE DATE: 26 06 01 – 12 15 09

NAME, TITLE, DEPARTMENT: CHARNITTA PERDUE-EADDY – OFFICER -
POLICE
RETIREMENT TYPE, PLAN: DROP - NEW
SERVICE CR./EFFECTIVE DATE: 33 07 10 – 10 14 09

YEAS – TRUSTEES BANDEMER, BEST, GODBEE, JOHNSON, JONES, LEWIS,
MACK, MOORE, NEARY, STEWART AND CHAIRMAN PEGG – 11

NAYS – NONE

CONFIRMATIONS

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

RESOLVED, THAT THE RECEIPTS AND DISBURSEMENTS WHICH ARE REFERENCED AT THE END OF THESE PROCEEDINGS BE CONFIRMED:

YEAS – TRUSTEES BANDEMER, BEST, GODBEE, JOHNSON, JONES, LEWIS, MACK, MOORE, NEARY, STEWART AND CHAIRMAN PEGG – 11

NAYS – NONE

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY MR. STEWART – SUPPORTED BY MR. NEARY

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:

REFUND LIST NUMBER: **3345**

REFUND AMOUNT: **\$199,666.70**

YEAS – TRUSTEES BANDEMER, BEST, GODBEE, JOHNSON, JONES, LEWIS, MACK, MOORE, NEARY, STEWART AND CHAIRMAN PEGG – 11

NAYS – NONE

CLARK ET AL & RETIRED POLICE & FIREFIGHTERS' ASSOCIATION ET AL VERSUS THE CITY OF DETROIT BOARD OF TRUSTEES ET AL WAYNE CIRCUIT CASE NO. 82-235598-CL

BY MR. BEST – SUPPORTED BY MR. BANDEMER

Resolved, That all petitions of said pre-July 1, 1983 and pre-July 1, 1986 (as applicable) Option II and Option III retirants, whose beneficiaries pre-deceased the retirants, for adjustment of retirement benefits to a Straight Life retirement be granted effective the first day of the month following the date of application and procedures be followed otherwise identical

CLARK ET AL & RETIRED POLICE & FIREFIGHTERS' ASSOCIATION ET AL VERSUS
THE CITY OF DETROIT BOARD OF TRUSTEES ET AL WAYNE CIRCUIT CASE
NO. 82-235598-CL

to the processing and computation for adjustments made to divorced
Option II and Option III retirants pursuant to domestic relations court orders:

<u>NAME</u>	<u>DATE OF DEATH</u>	<u>APPLICATION FILED</u>
EDWARD YURAN	01-08-10	01-18-10

YEAS – TRUSTEES BANDEMER, BEST, GODBEE, JOHNSON, JONES, LEWIS,
MACK, MOORE, NEARY, STEWART AND CHAIRMAN PEGG – 11

NAYS – NONE

JAMIE FIELDS (FORMER DEPUTY CHIEF OF POLICE) - #175850

CHAIRMAN PEGG DIRECTED STAFF TO INFORM MR. FIELDS (VIA LETTER) THAT
THE BOARD WILL TAKE NO ACTION AT THIS TIME WITH RESPECT TO HIS
RETIREMENT EFFECTIVE DATE.

MILESTONE REALTY SERVICES

MARTY WEST AND SPECIAL LEGAL COUNSEL F. LOGAN DAVIDSON
DISCUSSED THE LAFER BUILDING (EXECUTION OF SETTLEMENT AGREEMENT
AND MUTUAL RELEASE REQUIRED).

**THE LAFER BUILDING, DETROIT, MICHIGAN
MODIFICATION TO EXISTING LOAN TERMS**

BY MR. STEWART – SUPPORTED BY MR. NEARY

WHEREAS, the Police and Fire Retirement System and Mercier
Development Lafer, LLC, a Michigan limited liability company ("Borrower")
have entered into that certain Construction to Permanent Loan
Agreement dated as of June 23, 2006 (the "Loan Agreement") whereby
the Board agreed to lend to Borrower the sum of \$2,404,000.00 (the "Loan"),
which Loan was for the purpose of partially financing Borrower's
development of that certain building located at 1323-1325 Broadway,
Detroit, Michigan (the "Project"), and

**THE LAFER BUILDING, DETROIT, MICHIGAN
MODIFICATION TO EXISTING LOAN TERMS**

WHEREAS, Section 7 of the Loan Agreement contained certain conditions precedent which were to be satisfied in order that the Construction Loan, as defined in the Loan Agreement (the "Construction Loan"), would be converted into the Permanent Loan, as defined in the Loan Agreement (the "Permanent Loan"), and

WHEREAS, certain of the conditions precedent set forth in Section 7 of the Loan Agreement for the conversion from the Construction Loan to the Permanent Loan to be completed have not been satisfied and certain Events of Default, as defined in the Loan Agreement, have occurred and are continuing (the "Existing Events of Default"), and

WHEREAS, notwithstanding that the Existing Events of Default have occurred and certain of the conditions precedent set forth in Section 7 of the Loan Agreement have not been satisfied, Borrower has requested the Board to enter into the following agreements, all dated as of February 18, 2010: (i) a First Amendment to Loan Agreement and Loan Documents pursuant to which First Amendment the Board will agree to waive or modify the existing Events of Default and waive the unsatisfied conditions precedent and convert the Construction Loan to the Permanent Loan, (ii) an Assignment of Management Agreement in connection with the First Amendment, (iii) a Replacement Reserve and Security Agreement in connection with the First Amendment and (iv) Consent of Senior Creditor to Modification of Junior Creditor Loan Documents, and

WHEREAS, the execution of said Loan modification documents has been recommended by the Board's real estate advisor, Milestone Realty Services, Inc., and by F. Logan Davidson, P.C., the Board's special legal counsel in connection with the requested modifications, and

WHEREAS, in addition to the said Loan modification documents, the Board has been requested by the Borrower to approve a settlement agreement to settle the existing construction lien litigation currently existing against the Project, and

WHEREAS, the foregoing settlement has been recommended by Clark Hill, PLC, the Board's special legal counsel in connection with this litigation; now, Therefore be it

**THE LAFER BUILDING, DETROIT, MICHIGAN
MODIFICATION TO EXISTING LOAN TERMS**

RESOLVED, the Board hereby approves the modification of the Loan in a manner consistent with the recommendations of its real estate advisor, Milestone Realty Services, Inc., and be it further

RESOLVED, that said Loan modification documents be executed by two authorized signatories on behalf of the Board, and be it further

RESOLVED, that the Board approves the proposed settlement agreement as recommended by the Board's special legal counsel in connection with the existing construction lien litigation, and be it further

RESOLVED, that the settlement agreement be executed by two authorized signatories on behalf of the Board, and be it further

RESOLVED, that a copy of this resolution be forwarded to Milestone Realty Services, and the Accounting Division of the Retirement System:

YEAS – TRUSTEES BANDEMER, BEST, GODBEE, JOHNSON, JONES, LEWIS,
MACK, MOORE, NEARY, STEWART AND CHAIRMAN PEGG – 11

NAYS – NONE

TRUSTEES LEWIS AND MACK EXCUSED THEMSELVES.

RDD INVESTMENT CORPORATION

BY MR. GODBEE – SUPPORTED BY MR. STEWART

WHEREAS, ON **DECEMBER 17, 2009**, THE BOARD APPROVED THE ISSUANCE OF LETTERS OF CREDIT THROUGH FIRST INDEPENDENCE NATIONAL BANK IN FAVOR OF RDD INVESTMENT CORPORATION IN CONNECTION WITH THE CLOSURE BONDS REQUIRED BY THE STATE OF MICHIGAN AND THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY FOR THE DEEP DISPOSAL WELL PROJECT IN ROMULUS, MICHIGAN, AND

WHEREAS, AS SECURITY FOR THE LETTERS OF CREDIT, THE BOARD HAS PLEDGED CERTAIN SECURITIES ON DEPOSIT WITH THE BANK OF NEW YORK MELLON, AND

RDD INVESTMENT CORPORATION

WHEREAS, THE AGREEMENTS BETWEEN THE BOARD AND FIRST INDEPENDENCE NATIONAL BANK AND BETWEEN THE BOARD AND THE BANK OF NEW YORK MELLON CALL FOR THE BOARD TO PAY THE FEES AND COSTS OF EACH BANK, AND

WHEREAS, THE BOARD IS IN RECEIPT OF AN INVOICE FROM FIRST INDEPENDENCE NATIONAL BANK IN THE AMOUNT OF **\$25,491.77** FOR ITS LETTER OF CREDIT FEES AND COSTS, AND

WHEREAS, THE BOARD IS IN RECEIPT OF AN INVOICE FROM THE BANK OF NEW YORK MELLON IN THE AMOUNT OF **\$4,000.00** FOR ITS SERVICES AS ESCROW AGENT IN CONNECTION WITH THE TRANSACTION WHICH IS CONTAINED IN EXHIBIT B TO THE TRI-PARTY PLEDGE AGREEMENT AMONG THE BOARD, FIRST INDEPENDENCE NATIONAL BANK AND THE BANK OF NEW YORK MELLON, THEREFORE BE IT

RESOLVED, THAT THE SUM OF **\$25,491.77** BE PAID TO FIRST INDEPENDENCE NATIONAL BANK IN ACCORDANCE WITH FIRST INDEPENDENCE NATIONAL BANK'S SUBMITTED INVOICE, AND BE IT FURTHER

RESOLVED, THAT THE SUM OF **\$4,000.00** BE PAID TO THE BANK OF NEW YORK MELLON IN ACCORDANCE WITH THE BANK OF NEW YORK'S SUBMITTED INVOICE, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO FIRST INDEPENDENCE NATIONAL BANK, THE BANK OF NEW YORK MELLON, SPECIAL LEGAL COUNSEL, AND THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEM:

YEAS – TRUSTEES BANDEMER, BEST, GODBEE, JOHNSON, MOORE, NEARY,
STEWART AND CHAIRMAN PEGG – 8

NAYS – NONE

ABSTAIN – TRUSTEE JONES – 1

MMA

CHAIRMAN PEGG DIRECTED THAT EARL COLE BE ALLOWED TO APPEAR BEFORE THE BOARD, AS REQUESTED, TO DISCUSS THE RED RIVER LOAN.

ALTERNATIVE INVESTMENT CONSULTANT RFP

BY MR. STEWART – SUPPORTED BY MR. BESTR

WHEREAS, THE BOARD HAS BEEN MADE AWARE THAT SEVERAL REQUESTS TO OBTAIN A COPY OF THE SYSTEM'S CURRENT ALTERNATIVE INVESTMENT PORTFOLIO HAVE BEEN MADE BY THOSE RESPONDING TO THE BOARD'S ALTERNATIVE INVESTMENT CONSULTANT RFP, AND

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

RESOLVED, THAT A COPY OF THE SYSTEM'S SUMMARY ALTERNATIVE INVESTMENT PORTFOLIO BE PROVIDED TO ASSIST THOSE RESPONDING TO THE RFP:

YEAS – TRUSTEES BANDEMER, BEST, GODBEE, JOHNSON, JONES, MOORE, NEARY, STEWART AND CHAIRMAN PEGG – 9

NAYS – NONE

CHURCHILL

CHAIRMAN PEGG DIRECTED THAT A COMMUNICATION BE SENT TO KEITH GLOECKL INFORMING HIM THAT THE BOARD CURRENTLY HAS NO ROOM IN THEIR ASSET ALLOCATION FOR CHURCHILL'S CLARA COX I AND II CONSTRUCTION LOAN PROPOSALS.

LEGAL COUNSEL'S REPORTS

LEGAL COUNSEL RONALD ZAJAC DISCUSSED VARIOUS MATTERS WITH THE BOARD, INCLUDING CHILDREN'S BENEFITS AND HOUSE BILL 4917. HE ALSO PROVIDED EACH BOARD AND ADMINISTRATIVE STAFF MEMBER WITH COPIES OF THE DOCUMENTS WHICH ARE REFERENCED AT THE END OF THESE PROCEEDINGS.

CHILDREN'S BENEFITS

BY MR. MOORE – SUPPORTED BY MR. STEWART

WHEREAS, GENERAL COUNSEL HAS BROUGHT TO THE BOARD'S ATTENTION THE ISSUE OF **\$802.00** REGARDING WAYNE COUNTY PROBATE COURT FILING FEES REGARDING ONE OF THE EIGHT-FOUR (84) MONTHLY BENEFITS BEING PAID TO MINORS OF DECEASED POLICE OFFICERS AND FIRE FIGHTERS, AND

CHILDREN'S BENEFITS

WHEREAS, THE BOARD NOTES ITS RESOLUTIONS OF AUGUST 23, 2007 AND NOVEMBER 1, 2007 WHICH ARE INTENDED TO ASSIST FAMILIES OF DECEASED POLICE OFFICERS AND FIRE FIGHTERS TO EASE THE DEMANDS AND COMPLEXITIES OF PROBATE COURT REQUIREMENTS, AND

WHEREAS, PAYMENT OF \$802.00 REGARDING WAYNE COUNTY PROBATE FEES IS CONSISTENT WITH THE AFORE-REFERENCED PRIOR RESOLUTIONS, THEREFORE BE IT

RESOLVED, THAT THE RETIREMENT SYSTEM PAY THE \$802.00 IN WAYNE COUNTY PROBATE FEES VIA CHECK TO WAYNE COUNTY PROBATE COURT OR WIRE-TRANSFER TO ATTORNEY PETER L. CLARK (AS DETERMINED BY GENERAL COUNSEL), AND FORWARD A COPY OF THIS RESOLUTION TO MR. CLARK AND APPLICABLE RETIREMENT SYSTEM STAFF:

YEAS – TRUSTEES BANDEMER, BEST, GODBEE, JOHNSON, JONES, MOORE,
NEARY, STEWART AND CHAIRMAN PEGG – 9

NAYS – NONE

PENSION NUMBER 231984
MADRIGAL VERSUS MADRIGAL
WAYNE COUNTY CASE #98-813940-DM

BY MR. MOORE – SUPPORTED BY MR. BEST

WHEREAS, THE BOARD IS IN RECEIPT OF A STIPULATED ORDER FOR MODIFICATION OF JUDGMENT OF DIVORCE DATED NOVEMBER 19, 2009, AND A MODIFIED ELIGIBLE DOMESTIC RELATIONS ORDER DATED JANUARY 4, 2010 WHICH AMENDS A PRIOR ORDER DATED SEPTEMBER 1, 2000 WHICH AMENDS/SUPPLEMENTS A JUDGMENT OF DIVORCE DATED FEBRUARY 18, 1999 WHEREIN **CARMEN MADRIGAL** IS AWARDED CERTAIN RIGHTS TO THE DEFINED BENEFIT PLAN AND/OR DEFINED CONTRIBUTION PLAN BENEFITS OF **DAVID MADRIGAL, JR.** WHO IS CURRENTLY AN ACTIVE EMPLOYEE, AND

WHEREAS, THE BOARD PREVIOUSLY ADOPTED RESOLUTIONS ON AUGUST 27, 1999, OCTOBER 2, 2000, AND MAY 21, 2004, AND

WHEREAS, PARTICIPANT'S DATE OF BIRTH IS MAY 25, 1956 AND, TO DATE, PARTICIPANT HAS ATTAINED 20 YEARS AND 09 MONTHS OF SERVICE CREDIT, AND

PENSION NUMBER 231984
MADRIGAL VERSUS MADRIGAL
WAYNE COUNTY CASE #98-813940-DM

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

WHEREAS, 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

WHEREAS, 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, THEREFORE BE IT

RESOLVED THAT THE BOARD ACKNOWLEDGE RECEIPT OF SAID COURT ORDER AND PAY PENSION BENEFITS CONSISTENT WITH SAID COURT ORDER SUBJECT TO APPLICATION BEING FILED BY THE PARTY SEEKING PAYMENT, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE IMMEDIATELY ATTACHED AS THE TOP SHEET OF THE PENSION FILE, AND OTHER APPROPRIATE RECORDS BE RETAINED BY THE RETIREMENT SYSTEM RELATIVE TO THIS MATTER, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO ATTORNEY GERALD GORDINIER; ATTORNEY ANTHONY URBANI; CARMEN MADRIGAL; DAVID MADRIGAL, JR.; AND RETIREMENT SYSTEM STAFF MEMBER DAVID CETLINSKI:

YEAS – TRUSTEES BANDEMER, BEST, GODBEE, JOHNSON, JONES, MOORE,
NEARY, STEWART AND CHAIRMAN PEGG – 9

NAYS – NONE

PENSION NUMBER 230832
SCHMEKEL VERSUS SCHMEKEL
MACOMB COUNTY CASE #06-3835-DM

BY MR. MOORE – SUPPORTED BY MR. STEWART

WHEREAS, THE BOARD IS IN RECEIPT OF AN ELIGIBLE DOMESTIC RELATIONS ORDER DATED FEBRUARY 3, 2010 WHICH AMENDS/SUPPLEMENTS A JUDGMENT OF DIVORCE DATED NOVEMBER 21, 2006 WHEREIN **LAURA SCHMEKEL** IA AWARDED CERTAIN RIGHTS TO THE DEFINED BENEFIT PLAN AND/OR DEFINED CONTRIBUTION PLAN BENEFITS OF **STEVEN SCHMEKEL** WHO IS CURRENTLY AN ACTIVE EMPLOYEE, AND

WHEREAS PARTICIPANT'S DATE OF BIRTH IS APRIL 22, 1960 AND, TO DATE, PARTICIPANT HAS ATTAINED 23 YEARS AND 09 MONTHS OF SERVICE CREDIT, AND

WHEREAS, ALTERNATE PAYEE **IS** ENTITLED TO CLAIM A PORTION OF PARTICIPANT'S DEFINED CONTRIBUTION PLAN, SUBJECT TO ALTERNATE PAYEE FILING AN APPLICATION FOR SAME, AND

WHEREAS, ALTERNATE PAYEE **IS** ENTITLED TO CLAIM A PORTION OF PARTICIPANT'S DEFINED BENEFIT PLAN, 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 OTHERWISE BEING ELIGIBLE TO WITHDRAW AMOUNTS FROM THE DEFINED CONTRIBUTION PLAN, AND SUBJECT TO APPLICATION FOR SAME BEING MADE BY THE PARTY SEEKING PAYMENT, 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

WHEREAS, THE COURT ORDER PROVIDES FOR THE PARTIES TO SHARE THE COST OF THE ACTUARY'S FEES, AND

PENSION NUMBER 230832
SCHMEKEL VERSUS SCHMEKEL
MACOMB COUNTY CASE #06-3835-DM

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, THEREFORE BE IT

RESOLVED THAT THE BOARD ACKNOWLEDGE RECEIPT OF SAID COURT ORDER AND PAY PENSION BENEFITS CONSISTENT WITH SAID COURT ORDER SUBJECT TO APPLICATION BEING FILED BY THE PARTY SEEKING PAYMENT, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE IMMEDIATELY ATTACHED AS THE TOP SHEET OF THE PENSION FILE, AND OTHER APPROPRIATE RECORDS BE RETAINED BY THE RETIREMENT SYSTEM RELATIVE TO THIS MATTER, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO ATTORNEY ANTHONY URBANI; LAURA SCHMEKEL; STEVEN SCHMEKEL; AND RETIREMENT SYSTEM STAFF MEMBER DAVID CETLINSKI:

YEAS – TRUSTEES BANDEMER, BEST, GODBEE, JOHNSON, JONES, MOORE, NEARY, STEWART AND CHAIRMAN PEGG – 9

NAYS – NONE

PENSION NUMBER 234291
THOMAS VERSUS THOMAS
WAYNE COUNTY CASE #07-731536-DM

BY MR. MOORE – SUPPORTED BY MR. STEWART

WHEREAS, THE BOARD IS IN RECEIPT OF A FIRST AMENDED ELIGIBLE DOMESTIC RELATIONS ORDER DATED JANUARY 22, 2010 WHICH AMENDS A PRIOR ORDER DATED OCTOBER 2, 2009 WHICH AMENDS/SUPPLEMENTS A JUDGMENT OF DIVORCE DATED NOVEMBER 24, 2008 WHEREIN **MONICA THOMAS** IS AWARDED CERTAIN RIGHTS TO THE DEFINED BENEFIT PLAN AND/OR DEFINED CONTRIBUTION PLAN BENEFITS OF **ABERY THOMAS, JR.** AND

PENSION NUMBER 234291
THOMAS VERSUS THOMAS
WAYNE COUNTY CASE #07-731536-DM

WHEREAS PARTICIPANT'S DATE OF BIRTH IS MAY 23, 1972 AND, TO DATE, PARTICIPANT HAS ATTAINED 13 YEARS AND 04 MONTHS OF SERVICE CREDIT, AND

WHEREAS, ALTERNATE PAYEE **IS** ENTITLED TO CLAIM A PORTION OF PARTICIPANT'S DEFINED BENEFIT PLAN, AND

WHEREAS, ALTERNATE PAYEE **IS** ENTITLED TO CLAIM A PORTION OF PARTICIPANT'S DEFINED CONTRIBUTION PLAN, AND

WHEREAS, THE EARLIEST DATE THAT PAYMENTS FROM THE DEFINED BENEFIT PLAN CAN BE MADE TO THE PARTICIPANT OR ALTERNATE PAYEE IS UPON PARTICIPANT ATTAINING 20 YEARS OF SERVICE CREDIT, OR OTHERWISE RECEIVING RETIREMENT BENEFITS, AND

WHEREAS, DEFINED CONTRIBUTION PLAN AMOUNTS CAN BE MADE TO THE PARTICIPANT OR ALTERNATE PAYEE UPON PARTICIPANT ATTAINING 25 YEARS OF SERVICE CREDIT, OR UPON PARTICIPANT OTHERWISE BEING ELIGIBLE TO WITHDRAW AMOUNTS FROM THE DEFINED CONTRIBUTION PLAN, AND SUBJECT TO APPLICATION FOR SAME BEING MADE BY THE PARTY SEEKING PAYMENT, 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

WHEREAS, 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, THEREFORE BE IT

RESOLVED THAT THE BOARD ACKNOWLEDGE RECEIPT OF SAID COURT ORDER AND PAY PENSION BENEFITS CONSISTENT WITH SAID COURT ORDER SUBJECT TO APPLICATION BEING FILED BY THE PARTY SEEKING PAYMENT, AND BE IT FURTHER

PENSION NUMBER 234291
THOMAS VERSUS THOMAS
WAYNE COUNTY CASE #07-731536-DM

RESOLVED, THAT A COPY OF THIS RESOLUTION BE IMMEDIATELY ATTACHED AS THE TOP SHEET OF THE PENSION FILE, AND OTHER APPROPRIATE RECORDS BE RETAINED BY THE RETIREMENT SYSTEM RELATIVE TO THIS MATTER, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO ATTORNEY MARY YANCY; ATTORNEY AUDREY STROIA; MONICA THOMAS, ABERY THOMAS, JR.; AND RETIREMENT SYSTEM STAFF MEMBER DAVID CETLINSKI:

YEAS – TRUSTEES BANDEMER, BEST, GODBEE, JOHNSON, JONES, MOORE, NEARY, STEWART AND CHAIRMAN PEGG – 9

NAYS – NONE

TRUSTEES MACK AND LEWIS RE-JOINED THE MEETING.

SPECIAL LEGAL COUNSEL'S REPORTS

SPECIAL LEGAL COUNSEL JOE TURNER DISCUSSED VARIOUS MATTERS WITH THE BOARD, INCLUDING THE MALHALAB LITIGATION AND HOUSE BILL 4917.

HOUSE BILL 4917

BY MR. STEWART – SUPPORTED BY MR. MOORE

WHEREAS, the Board of Trustees has been made aware of House Bill 4917, which relates only to the Police and Fire Retirement System of the City of Detroit, and

WHEREAS, the Board of Trustees **objects** to and is **offended** by House Bill 4917 for the following reasons:

1. The bill singles out one city and one retirement system;
2. The bill ignores an approximately sixty-nine year history of this Retirement System
3. The content appears to be unconstitutional, and

HOUSE BILL 4917

4. The bill, in effect, seeks to supersede:
 - a. the Home Rule Act
 - b. the Public Employees Relations Act
 - c. the City Charter and ordinances
 - d. collective bargaining agreements
 - e. case law, and

WHEREAS, the House Bill, if adopted as a statute, will be vigorously challenged by this Retirement System, and presumably other retirement systems, and collective bargaining associations which have agreements with the City of Detroit and will result in litigation costs to this Retirement System, and

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

RESOLVED, that this Board of Trustees vigorously **oppose** this House Bill for the reasons stated above, and be it further

RESOLVED, that this Board carefully review the sponsors of this House Bill and urge said representatives to reconsider their support for this ill advised proposal, and be it further

RESOLVED, that a copy of this resolution be forwarded to each representative who is indicated as a sponsor of this House Bill, the four collective bargaining associations involving Detroit police officers and firefighters, and the Accounting Division of the Retirement System:

YEAS – TRUSTEES BANDEMER, BEST, GODBEE, JOHNSON, JONES, LEWIS,
MACK, MOORE, NEARY, STEWART AND CHAIRMAN PEGG – 11

NAYS – NONE

TRUSTEE MACK EXCUSED HIMSELF.

HOUSE BILL 4917 LOBBYIST

BY MR. MOORE – SUPPORTED BY MR. STEWART

WHEREAS, the Board previously passed resolutions (i) expressing its opposition to the pending House Bill 4917, and (ii) engaging Reginald M. Turner of Clark Hill PLC as its lobbyist, subject to approval of a budget, and

WHEREAS, the Board's Lobbyist has submitted an engagement letter dated February 18, 2010 incorporating, inter alia, the terms and conditions of the engagement and a 90-day budget; and

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

RESOLVED, that the Board approves and accepts the engagement letter, and be it further

RESOLVED, that the Board approves two authorized signatories to sign the engagement letter, and be it further

RESOLVED, that the Board authorize the issuance of the 90-day retainer amount set forth in the engagement letter, and be it further

RESOLVED, that a copy of this resolution be forwarded to Reginald M. Turner, the Board's Special Legal Counsel, and the Accounting Division of the Retirement System:

YEAS – TRUSTEES BANDEMER, BEST, GODBEE, JOHNSON, JONES, LEWIS,
MOORE, NEARY, STEWART AND CHAIRMAN PEGG – 10

NAYS – NONE

SERVICE RETIREMENT

BY MR. BEST – SUPPORTED BY MR. BANDEMER

RESOLVED, THAT THE FOLLOWING SERVICE RETIREMENT APPLICATION BE APPROVED:

NAME, TITLE, DEPARTMENT: DANIEL SUMERACKI – FIRE FIGHTER - FIRE
RETIREMENT TYPE, PLAN: SERVICE - NEW
SERVICE CR./EFFECTIVE DATE: 22 00 00 – 02 15 10

SERVICE RETIREMENT

YEAS – TRUSTEES BANDEMER, BEST, GODBEE, JOHNSON, JONES, LEWIS,
MOORE, NEARY, STEWART AND CHAIRMAN PEGG – 10

NAYS – NONE

CAPITAL CALLS

BY MR. BEST – SUPPORTED BY MR. NEARY

WHEREAS, THE BOARD HAS BEEN PRESENTED WITH THE CAPITAL CALLS WHICH ARE REFERENCED AT THE END OF THESE PROCEEDINGS, AND

WHEREAS, THE BOARD HAS BEEN REQUESTED TO APPROVE FUNDING OF SAID CAPITAL CALLS, THEREFORE BE IT

RESOLVED, THAT SUBJECT TO FINAL APPROVAL OF ALL TRANSACTION DOCUMENTS BY THE BOARD'S LEGAL COUNSEL AND SUBJECT TO STAFF AUDIT, THE BOARD APPROVES FUNDING OF SAID CAPITAL CALLS:

YEAS – TRUSTEES BANDEMER, BEST, GODBEE, JOHNSON, JONES, LEWIS,
MOORE, NEARY, STEWART AND CHAIRMAN PEGG – 10

NAYS – NONE

FEES AND EXPENSES

BY MR. MOORE – SUPPORTED BY MR. BEST

WHEREAS, THE BOARD HAS BEEN PRESENTED WITH THE SUMMARY OF FEES AND EXPENSES WHICH ARE REFERENCED AT THE END OF THESE PROCEEDINGS 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 APPROVAL BY LEGAL COUNSEL AND SUBJECT TO STAFF AUDIT, THE BOARD APPROVES PAYMENT OF SAID FEES AND EXPENSES:

YEAS – TRUSTEES BANDEMER, BEST, GODBEE, JOHNSON, JONES, LEWIS,
MOORE, NEARY, STEWART AND CHAIRMAN PEGG – 10

FEES AND EXPENSES

NAYS – NONE

BRM FLORIDA HOLDINGS, LLC

THE BOARD DISCUSSED BRM FLORIDA HOLDINGS, LLC WITH LOU VOGT OF BANYAN REALTY ADVISORS, LLC AND MIKE MURPHY OF COURTLAND PARTNERS, LTD. VIA PHONE CONFERENCE.

TRUSTEE MACK RE-JOINED THE MEETING.

RETIREMENT SYSTEM STAFF

THE BOARD ENTERED INTO CLOSED SESSION TO DISCUSS CONFIDENTIAL MEDICAL MATTERS INVOLVING STAFF WITH THE GENERAL RETIREMENT SYSTEM'S CHAIRPERSON, SHEILA W. KNEESHAW.

TRUSTEE LEWIS EXCUSED HIMSELF.

CLOSED SESSION

BY MR. MOORE – SUPPORTED BY MS. JOHNSON

Resolved, That the Board enter into Closed Session for the purpose of discussing matters involving staff:

A Roll Call Vote was taken as follows:

YEAS – TRUSTEES BANDEMER, BEST, GODBEE, JOHNSON, JONES, MACK, MOORE, NEARY, STEWART AND CHAIRMAN PEGG – 10

NAYS – NONE

The Board entered into Closed Session at 12:50 P.M.

TRUSTEE LEWIS RE-JOINED THE MEETING DURING CLOSED SESSION.

OPEN SESSION

BY MR. NEARY – SUPPORTED BY MR. GODBEE

Resolved, That the Board return to Open Session:

OPEN SESSION

A Roll Call Vote was taken as follows:

YEAS – TRUSTEES BANDEMER, BEST, GODBEE, JOHNSON, JONES, LEWIS,
MACK, MOORE, NEARY, STEWART AND CHAIRMAN PEGG – 11

NAYS – NONE

The Board returned to Open Session at 1:13 P.M.

BRM FLORIDA HOLDINGS, LLC
\$7,700,000.00 LOAN

BY MR. BEST – SUPPORTED BY MR. NEARY

WHEREAS, THE BOARD OF TRUSTEES IS IN RECEIPT OF LETTERS FROM BANYAN REALTY ADVISORS, LLC DATED JANUARY 19, 2010 AND FEBRUARY 4, 2010, WHICH, INTER ALIA, REQUESTS APPROVAL OF FIRST MORTGAGE FINANCING OF \$4,500,000.00 WITH A TERM NOT TO EXCEED 8.2 YEARS, WHICH WILL RESULT IN A PRE-PAYMENT TO THE RETIREMENT SYSTEM OF APPROXIMATELY \$4,200,000.00, AND

WHEREAS, THE BOARD OF TRUSTEES IS IN RECEIPT OF A REPORT FROM COURTLAND PARTNERS, LTD. DATED FEBRUARY 17, 2010, AND

WHEREAS, THE BOARD HAS DISCUSSED THIS MATTER THIS DATE WITH LOU VOGT OF BANYAN REALTY SERVICES, LLC AND MICHAEL MURPHY OF COURTLAND PARTNERS, LTD., AND

WHEREAS, THE BOARD NOTES THE ADOPTION OF A RESOLUTION ON FEBRUARY 4, 2010 WHICH CONSENTS TO THE PAYMENTS TO TRAMMEL CROW, THEREFORE BE IT

RESOLVED, THAT THE BOARD OF TRUSTEES APPROVES REQUEST NO. 1 (AS REFLECTED ON PAGE 2 OF THE JANUARY 19, 2010 LETTER), I.E., FINANCING OF BUENA VISTA PLACE I TO INCLUDE ADDITIONAL FIRST MORTGAGE FINANCING OF \$4,500,000.00 WHICH WILL RESULT IN PAYMENT TO THE RETIREMENT SYSTEM OF \$4,200,000.00, AND BE IT FURTHER

BRM FLORIDA HOLDINGS, LLC
\$7,700,000.00 LOAN

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO BRM FLORIDA HOLDINGS, LLC, ATTENTION: LOU VOGT; COURTLAND PARTNERS, LTD., ATTENTION MICHAEL MURPHY; SPECIAL LEGAL F. LOGAN DAVIDSON; AND RETIREMENT SYSTEM ACCOUNTING STAFF:

YEAS – TRUSTEES BANDEMER, BEST, GODBEE, JOHNSON, LEWIS, MOORE, NEARY AND CHAIRMAN PEGG – 8

NAYS – TRUSTEE STEWART – 1

ABSTAIN - TRUSTEES JONES AND MACK – 2

BRM FLORIDA HOLDINGS, LLC
\$7,700,000.00 LOAN

BY MR. BEST – SUPPORTED BY MR. NEARY

WHEREAS, THE BOARD OF TRUSTEES IS IN RECEIPT OF LETTERS FROM BANYAN REALTY ADVISORS, LLC DATED JANUARY 19, 2010 AND FEBRUARY 4, 2010 WHICH, INTER ALIA, REQUESTS APPROVAL OF RE-FINANCING OF BUENA VISTA PLACE II BONDS WITH A NEW MORTGAGE OF \$3,300,000.00, AND

WHEREAS, THE BOARD OF TRUSTEES IS IN RECEIPT OF A REPORT FROM COURTLAND PARTNERS, LTD. DATED FEBRUARY 17, 2010, AND

WHEREAS, THE BOARD HAS DISCUSSED THIS MATTER THIS DATE WITH LOU VOGT OF BANYAN REALTY SERVICES, LLC AND MICHAEL MURPHY OF COURTLAND PARTNERS, LTD., THEREFORE BE IT

RESOLVED, THAT THE BOARD OF TRUSTEES APPROVES REQUEST NO. 2 OF THE JANUARY 19, 2010 LETTER), I.E., RE-FINANCING OF BUENA VISTA PLACE II TO INCLUDE ADDITIONAL FIRST MORTGAGE FINANCING OF \$3,300,000.00, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO BRM FLORIDA HOLDINGS, LLC, ATTENTION: LOU VOGT; COURTLAND PARTNERS, LTD., ATTENTION MICHAEL MURPHY; SPECIAL LEGAL F. LOGAN DAVIDSON; AND RETIREMENT SYSTEM ACCOUNTING STAFF:

BRM FLORIDA HOLDINGS, LLC
\$7,700,000.00 LOAN

YEAS – TRUSTEES BANDEMER, BEST, GODBEE, JOHNSON, LEWIS, MOORE,
NEARY, STEWART AND CHAIRMAN PEGG – 9

NAYS – NONE

ABSTAIN - TRUSTEES JONES AND MACK – 2

EMPLOYER CONTRIBUTIONS DUE THE SYSTEM ON JUNE 30, 2009

BY MR. MACK – SUPPORTED BY MR. LEWIS

WHEREAS, THE BOARD OF TRUSTEES PREVIOUSLY APPROVED A PAYMENT PLAN WITH RESPECT TO EMPLOYER CONTRIBUTIONS WHICH WERE DUE ON JUNE 30, 2009, AND

WHEREAS, THE BOARD OF TRUSTEES IS IN RECEIPT OF A “**SCHEDULE OF INSTALLMENT PAYMENTS**” WHICH INDICATES:

ORIGINAL SCHEDULE OF PAYMENTS PAID THROUGH FEBRUARY 1, 2010

INTEREST PAYMENTS OVERPAID THROUGH FEBRUARY 1, 2010

REVISED SCHEDULE PAYMENTS THROUGH FEBRUARY 1, 2010

PROPOSED PAYMENT SCHEDULE FOR MARCH 1, 2010 THROUGH JULY 1, 2010

AND

WHEREAS, THE EMPLOYER CONTRIBUTIONS ARE BASED UPON THE PRINCIPAL BALANCE OF \$31,395,780.10 (WHICH IS \$4,755,276.00 LOWER THAN THE \$36,151,056.10 AMOUNT ORIGINALLY COMPUTED), AND

WHEREAS, THE EMPLOYER REQUESTS THAT NO PRINCIPAL PAYMENT BE MADE ON MARCH 1, 2010, THEREFORE BE IT

RESOLVED, THAT REVISED “SCHEDULE OF INSTALLMENT PAYMENTS” REGARDING THE AMOUNT DUE JUNE 30, 2009 ARE APPROVED SUBJECT TO

EMPLOYER CONTRIBUTIONS DUE THE SYSTEM ON JUNE 30, 2009

VERIFICATION BY RETIREMENT SYSTEM HEAD ACCOUNTANT OF THE CALCULATIONS PERFORMED BY THE EMPLOYER, CITY:

FOLLOWING DISCUSSION OF THE FOREGOING MOTION, THE MOTION WHICH FOLLOWS WAS MADE:

BY MR. BANDEMER – SUPPORTED BY MR. NEARY

RESOLVED, THAT THE FOREGOING MOTION BE TABLED:

A ROLL CALL VOTE WAS TAKEN AS FOLLOWS:

YEAS – TRUSTEES BANDEMER, BEST, MACK, MOORE, NEARY, STEWART
AND CHAIRMAN PEGG – 7

NAYS – TRUSTEES GODBEE, JOHNSON, JONES AND LEWIS – 4

FIDUCIARY LIABILITY INSURANCE

BY MR. MOORE – SUPPORTED BY MR. BEST

WHEREAS, ULLICO CASUALTY HAS REQUESTED THE BOARD TO EXECUTE A LETTER STATING THAT NO CLAIMS HAVE BEEN MADE AGAINST THE TRUST ON OR AFTER DECEMBER 18, 2009, AND

WHEREAS, GENERAL COUNSEL HAS APPROVED THE EXECUTION OF SAID LETTER, THEREFORE BE IT

RESOLVED, THAT THE AFORESAID LETTER DATED FEBRUARY 18, 2010 REFERRING TO THE DECEMBER 18, 2010 CLAIMS DATE BE EXECUTED ON BEHALF OF THE RETIREMENT SYSTEM, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO ULLICO CASUALTY, REPUBLIC UNDERWRITERS, AND THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEM:

YEAS – TRUSTEES BANDEMER, BEST, GODBEE, JOHNSON, JONES, LEWIS,
MACK, MOORE, NEARY, STEWART AND CHAIRMAN PEGG – 11

NAYS – NONE

MORGAN STANLEY AND COMPANY

GENERAL COUNSEL NOTED (AS PREVIOUSLY DISCUSSED WITH THE BOARD) THAT THE MORGAN STANLEY BROKER REFERENCED IN THE FEBRUARY 5, 2010 LETTER FROM MORGAN STANLEY BECAME HIS BROKER IN 2002, APPROXIMATELY TWO (2) YEARS PRIOR TO THE BOARD SELECTING SAID BROKER AS A BROKER OF RECORD FOR THE RETIREMENT SYSTEM.

MORGAN STANLEY AND COMPANY

BY MR. STEWART – SUPPORTED BY MR. BEST

WHEREAS, THE BOARD HAS BEEN REQUESTED TO EXECUTE THE ACKNOWLEDGEMENT PORTION OF A LETTER DATED FEBRUARY 5, 2010 FROM GRAZIELLA DESCHINEAU, PROGRAM ADMINISTRATOR FOR MORGAN STANLEY AND COMPANY, RE: EFFIE KATSI, BROKER FOR THE RETIREMENT SYSTEM RELATIVE TO THE AFORESAID TRANSACTION, AND

WHEREAS, THE EXECUTION OF SAID DOCUMENT HAS BEEN REQUESTED BY MORGAN STANLEY AND COMPANY, AND

WHEREAS, THE EXECUTION OF SAID DOCUMENT IS CONSISTENT WITH PRIOR ACTION OF THE BOARD, THEREFORE BE IT

RESOLVED, THAT SAID DOCUMENT BE EXECUTED BY TWO AUTHORIZED SIGNATORIES ON THE BOARD'S BEHALF AND FORWARDED TO MORGAN STANLEY AND COMPANY, WITH A COPY BEING RETAINED FOR THE SYSTEM'S RECORDS, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO MORGAN STANLEY AND COMPANY; AND THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEM:

YEAS – TRUSTEES BANDEMER, BEST, GODBEE, JOHNSON, JONES, LEWIS, MACK, MOORE, NEARY, STEWART AND CHAIRMAN PEGG – 11

NAYS – NONE

PUBLIC FORUM

AT **1:50 P.M.**, CHAIRMAN PEGG 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 PEGG ADJOURNED THE MEETING AT **1:55 P.M.** UNTIL THURSDAY, **FEBRUARY 25, 2010** 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