

MEETING NUMBER 2775

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



PROCEEDINGS HELD THURSDAY, MARCH 4, 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 9:17 A.M. BY THE BOARD'S RECORDING SECRETARY AND THE MEETING WAS CALLED TO ORDER.

SERVICE RETIREMENTS – BY MR. BEST – SUPPORTED BY MR. STEWART

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

SERVICE RETIREMENTS

NAME, TITLE, DEPARTMENT: FRANK SHANNON – OFFICER – POLICE
RETIREMENT TYPE, PLAN: SERVICE – NEW
SERVICE CR./EFFECTIVE DATE: 34 09 18 – 02 27 10

NAME, TITLE, DEPARTMENT: PHARONDUS WILLIAMSON – OFFICER –
POLICE
RETIREMENT TYPE, PLAN: SERVICE – NEW
SERVICE CR./EFFECTIVE DATE: 23 10 12 – 02 27 10

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

NAYS – NONE

DROP RETIREMENTS – BY MR. STEWART – SUPPORTED BY MR. BANDEMER

RESOLVED, THAT THE DROP RETIREMENTS WHICH ARE OUTLINED BELOW BE APPROVED:

DROP RETIREMENTS

NAME, TITLE, DEPARTMENT: JOHN COWAN – LIEUTENANT - FIRE
RETIREMENT TYPE, PLAN: DROP - NEW

DROP RETIREMENTS – CONTINUED

SERVICE CR./EFFECTIVE DATE: 27 00 00 – 02 07 10

NAME, TITLE, DEPARTMENT: EUGENIA FOSTER – SERGEANT - POLICE
RETIREMENT TYPE, PLAN: DROP - NEW
SERVICE CR./EFFECTIVE DATE: 25 11 21 – 01 08 10

NAME, TITLE, DEPARTMENT: SHEREE JOHNSON – OFFICER - POLICE
RETIREMENT TYPE, PLAN: DROP - NEW
SERVICE CR./EFFECTIVE DATE: 30 04 28 – 02 17 10

NAME, TITLE, DEPARTMENT: TIMOTHY KELLY – LIEUTENANT - FIRE
RETIREMENT TYPE, PLAN: DROP - NEW
SERVICE CR./EFFECTIVE DATE: 25 00 04 – 02 08 10

NAME, TITLE, DEPARTMENT: MADISON MOORE – TECH SPT. SPV - FIRE
RETIREMENT TYPE, PLAN: DROP - NEW
SERVICE CR./EFFECTIVE DATE: 37 02 23 – 02 09 10

NAME, TITLE, DEPARTMENT: JOSEPH SULAK – SERGEANT - FIRE
RETIREMENT TYPE, PLAN: DROP - NEW
SERVICE CR./EFFECTIVE DATE: 27 00 04 – 02 11 10

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

NAYS – NONE

CONFIRMATIONS – BY MR. BANDEMER – SUPPORTED BY MR. NEARY

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

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

NAYS – NONE

TRUSTEE JAMES MOORE ENTERED THE MEETING.

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

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: 3347

REFUND AMOUNT: \$636,622.43

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

NAYS – NONE

MINUTES OF FEBRUARY 4, 11 AND 18, 2010

BY MR. BEST – SUPPORTED BY MR. NEARY

RESOLVED, THAT THE MINUTES OF THE MEETINGS HELD THURSDAY, FEBRUARY 4, 11 AND 18, 2010 BE APPROVED AS RECORDED AND SUBMITTED BY THE BOARD'S RECORDING SECRETARY:

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

NAYS – NONE

ASSISTANT EXECUTIVE SECRETARY'S REPORTS

ASSISTANT EXECUTIVE SECRETARY CYNTHIA A. THOMAS PRESENTED LYNN RICHARD BROWN'S PRE-EMPLOYMENT MILITARY SERVICE CREDIT APPLICATION TO THE BOARD FOR APPROVAL.

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

By Mr. Stewart – Supported by Mr. Best

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:

Lynn Richard Brown - 230920
Police Department

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

NAYS – NONE

2010 FIRE DEPARTMENT TRUSTEE ELECTION

BY MR. BEST – SUPPORTED BY MR. STEWART

WHEREAS, THE BOARD IS IN RECEIPT OF A FEBRUARY 22, 2010 COMMUNICATION FROM FIRE COMMISSIONER JAMES MACK WHEREIN FIRE COMMISSIONER MACK REQUESTS THAT THE BOARD UNDERWRITE THE EXPENSES THE FIRE DEPARTMENT WILL INCUR RELATIVE TO THE FIRE DEPARTMENT CONDUCTING THE MAY, 2010 ELECTION TO FILL THE EXPIRING TERM (JUNE 30, 2010) OF JEFFREY PEGG, THEREFORE BE IT

RESOLVED, THAT THE BOARD HEREBY APPROVES THE REQUEST OF FIRE COMMISSIONER MACK, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO FIRE COMMISSIONER MACK, AND THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEM:

2010 FIRE DEPARTMENT TRUSTEE ELECTION

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

NAYS – NONE

POLICE DEPARTMENT'S APPLICATION FOR LAVELLE WHITAKER'S NON-DUTY DISABILITY RETIREMENT – 234581

CHAIRMAN PEGG DIRECTED THAT A FEBRUARY 17, 2010 COMMUNICATION FROM POLICE CHIEF WARREN EVANS WHEREIN CHIEF EVANS INFORMS THE BOARD OF THE DEPARTMENT'S DECISION TO WITHDRAW ITS FEBRUARY 7, 2008 APPLICATION FOR LAVELLE WHITAKER'S NON-DUTY DISABILITY RETIREMENT BE MADE A MATTER OF RECORD AND THAT MR. WHITAKER BE APPRISED OF SAME.

PERSEUS PARTNERS

MS. THOMAS INFORMED THE BOARD THAT A COMMUNICATION REGARDING A CHANGE IN KEY PERSONNEL AT PERSEUS WAS SUBMITTED TO NORTH POINT ADVISORS.

WELLS/EVERGREEN INVESTMENTS

MS. THOMAS ALSO INFORMED THE BOARD THAT A COMMUNICATION REGARDING THE INTEGRATION OF WELLS AND EVERGREEN INVESTMENTS WAS SUBMITTED TO NORTH POINT ADVISORS.

ALTERNATIVE INVESTMENT CONSULTANT RFP

MS. THOMAS INFORMED THE BOARD THAT SHE RECEIVED FOUR RESPONSES TO THE BOARD'S RFP FOR AN ALTERNATIVE INVESTMENT CONSULTANT.

TRUSTEE LEWIS EXCUSED HIMSELF.

CASH REQUIREMENTS OF THE PFRS

THE SYSTEM'S CASH REQUIREMENTS WERE SUBMITTED TO NORTH POINT ADVISORS.

HOUSE BILL 4917

EACH BOARD AND ADMINISTRATIVE STAFF MEMBER WAS PROVIDED WITH A COPY OF THE MINUTES OF THE COMMITTEE ON LABOR DATED FEBRUARY 24, 2010.

SUPERIOR CAPITAL MANAGEMENT

THE BOARD WAS INFORMED THAT SUPERIOR CAPITAL'S ANNUAL MEETING WILL BE HELD APRIL 19, 2010 FROM 3:00 P.M. UNTIL 5:00 P.M. AT THE WESTIN (BOOK CADILLAC) HOTEL.

TRUSTEE JOHNSON TEMPORARILY EXCUSED HERSELF AND THEN RE-JOINED THE MEETING.

MORGAN STANLEY SMITH BARNEY

BRUCE BALLARD AND ASSOCIATE ANDY SPEARMAN DISCUSSED PERFORMANCE MEASUREMENT AND 2009 FOURTH QUARTER MANAGER PERFORMANCE.

TRUSTEE GODBEE ENTERED THE MEETING DURING MORGAN STANLEY SMITH BARNEY'S PRESENTATION.

TRUSTEE LEWIS RE-JOINED THE MEETING DURING SAID PRESENTATION.

CHAIRMAN PEGG TEMPORARILY EXCUSED HIMSELF AND THEN RE-JOINED THE MEETING.

THE BANK OF NEW YORK MELLON

THOMAS BARRETT AND ASSOCIATES MIKE CABALLO AND JAMES NIVOLA DISCUSSED PERFORMANCE MEASUREMENT AND 2009 FOURTH QUARTER MANAGER PERFORMANCE.

TRUSTEE LEWIS EXCUSED HIMSELF.

LEGAL COUNSEL'S REPORTS

LEGAL COUNSEL RONALD ZAJAC DISCUSSED VARIOUS MATTERS WITH THE BOARD, INCLUDING THE BOARD'S FEBRUARY 25, 2010 INVESTMENT ANALYST RFP RESOLUTION, THE PRE-EMPLOYMENT

LEGAL COUNSEL'S REPORTS

MILITARY SERVICE CREDIT APPLICATION OF CYNTHIA WILLIAMS, MELLON CAPITAL MANAGEMENT, THE PSLRA (PRIVATE SECURITIES LITIGATION REFORM ACT) CASES IN WHICH KOHN, SWIFT AND GRAF REPRESENTS THE SYSTEM (HE ALSO PROVIDED EACH BOARD AND ADMINISTRATIVE STAFF MEMBER WITH A COPY OF A MARCH 2, 2010 COMMUNICATION REGARDING SAME) AND RDD INVESTMENT CORPORATION. HIS REPORTS WERE THEN SUSPENDED SO THAT THE MCRAE GROUP OF COMPANIES COULD DISCUSS THEIR JANUARY 25, 2010 COMMUNICATION REGARDING MANN 1100.

MCRAE GROUP OF COMPANIES

RON MCRAE AND SCOTT LENZ DISCUSSED THEIR JANUARY 25, 2010 COMMUNICATION REGARDING THE MANN 1100 INVESTMENT THAT RMG ARIZONA PROPERTIES HOLDING VIII, LLC OWNS IN PARTNERSHIP WITH THE PFRS. SAID LETTER WAS SUBMITTED TO COURTLAND ON FEBRUARY 11, 2010 FOR REVIEW AND COMMENT.

CONTINUATION OF LEGAL COUNSEL'S REPORTS

LEGAL COUNSEL RESUMED DISCUSSION OF HIS LEGAL REPORTS AND DISCUSSED THE FEES OF PRICE WATERHOUSE AND COOPERS AS THEY RELATE TO THE BOARD'S INDIA INVESTMENTS. HE ALSO PROVIDED EACH BOARD AND ADMINISTRATIVE STAFF MEMBER WITH A COPY OF A JANUARY 19, 2010 COMMUNICATION REGARDING SAME.

MELLON CAPITAL MANAGEMENT CORPORATION ("MCM")

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

WHEREAS, THE BOARD HAS BEEN REQUESTED TO EXECUTE A "**QUALIFIED INSTITUTIONAL BUYER CERTIFICATION**" DATED MARCH 4, 2010 RELATIVE TO THE AFORESAID TRANSACTION, AND

WHEREAS, THE EXECUTION OF SAID DOCUMENT HAS BEEN RECOMMENDED BY MELLON CAPITAL MANAGEMENT CORPORATION, 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

MELLON CAPITAL MANAGEMENT CORPORATION ("MCM")

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

RESOLVED, THAT THE EXECUTED ORIGINAL DOCUMENT BE FORWARDED TO MELLON CAPITAL MANAGEMENT CORPORATION, AND BE IT FURTHER

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

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

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

NAYS – NONE

REQUEST OF CYNTHIA WILLIAMS TO PURCHASE PRE-EMPLOYMENT MILITARY SERVICE CREDIT - 230639

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

WHEREAS, CYNTHIA WILLIAMS HAS SUBMITTED DOCUMENTATION REGARDING HER APPROXIMATELY TEN (10) YEARS OF MILITARY SERVICE TIME IN THE RESERVES, INCLUDING A DD-214 FORM TITLED "CERTIFICATE OF RELEASE OR DISCHARGE FROM ACTIVE DUTY," AND

WHEREAS, THE BOARD HAS BEEN PROVIDED WITH A COPY OF ORDINANCE 356-H AND AN EXCERPT FROM THE 2010 ACT 312 AWARD FOR THE LIEUTENANTS' AND SERGEANTS' ASSOCIATION COLLECTIVE BARGAINING ASSOCIATION APPLICABLE TO PRE-EMPLOYMENT MILITARY SERVICE CREDIT, AND

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

REQUEST OF CYNTHIA WILLIAMS TO PURCHASE PRE-EMPLOYMENT
MILITARY SERVICE CREDIT

RESOLVED, THAT CYNTHIA WILLIAMS' REQUEST TO PURCHASE THREE (3) YEARS OF MILITARY SERVICE CREDIT BE GRANTED SUBJECT TO PAYMENT OF THE COMPUTED COST TO PURCHASE SAID MILITARY SERVICE CREDIT PER ORDINANCE 356H, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO CYNTHIA WILLIAMS AND RETIREMENT SYSTEM STAFF MEMBER STEPHANIE SMILEY:

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

NAYS – NONE

TRUSTEE LEWIS RE-JOINED THE MEETING.

TRUSTEE GODBEE EXCUSED HIMSELF.

SPECIAL LEGAL COUNSEL'S REPORTS

SPECIAL LEGAL COUNSEL JOE TURNER DISCUSSED VARIOUS MATTERS WITH THE BOARD, INCLUDING RDD INVESTMENT CORPORATION, SENECA CAPITAL MANAGEMENT AND THE INDEPENDENT CONTRACTOR AGREEMENT OF THOMAS A. DUVAL. MR. TURNER ALSO PROVIDED EACH BOARD AND ADMINISTRATIVE STAFF MEMBER WITH COPIES OF THE DOCUMENTS WHICH ARE REFERENCED AT THE END OF THESE PROCEEDINGS.

THE BOARD THEN ENTERED INTO CLOSED SESSION.

CLOSED SESSION

BY MS. JONES – SUPPORTED BY MR. LEWIS

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:

CLOSED SESSION

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

NAYS – NONE

The Board entered into Closed Session at 2:25 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:

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

NAYS – NONE

The Board returned to Open Session at 2:48 P.M.

2010 RDD TAX APPEAL

BY MR. MACK – SUPPORTED BY MR. MOORE

WHEREAS, THE BOARD OF TRUSTEES HAS RECEIVED A MEMO DATED MARCH 2, 2010 FROM GILBERT C. GOODE, RDD INVESTMENT CORPORATION'S CHIEF FINANCIAL OFFICER, ALONG WITH A COPY OF THE 2010 ROMULUS TAX ASSESSMENT REFLECTING A NEARLY 200% INCREASE IN THE ASSESSED VALUE, AND

WHEREAS, THE BOARD OF TRUSTEES HAS RECEIVED A MEMO DATED MARCH 3, 2010 FROM CLARK HILL, PLC (THE BOARD'S SPECIAL LEGAL COUNSEL) NOTING THE UNREASONABLE INCREASE IN ASSESSED VALUE AND RECOMMENDING THE BOARD APPEAL THE 2010 TAX ASSESSMENT, AND

WHEREAS, THIS MATTER HAS BEEN CONSIDERED BY THE BOARD OF TRUSTEES, THEREFORE BE IT

2010 RDD TAX APPEAL

RESOLVED, THAT THE BOARD OF TRUSTEES APPROVES SPECIAL LEGAL COUNSEL PROCEEDING WITH THE APPROPRIATE ACTION TO APPEAL THE 2010 RDD TAX ASSESSMENT AND PROTECT THE INTERESTS OF RDD AND THE RETIREMENT SYSTEM, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO THE BOARD'S SPECIAL LEGAL COUNSEL:

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

NAYS – NONE

EXECUTION OF INDEPENDENT CONTRACTOR AGREEMENT FOR THOMAS A. DUVAL

BY MR. NEARY – SUPPORTED BY MR. BEST

WHEREAS, the General Retirement System of the City of Detroit (the "GRS") along with the Police and Fire Retirement System of the City of Detroit (the "Retirement System") (collectively the GRS and the Retirement System shall be hereinafter referred to as, the "Retirement Systems") have previously jointly engaged personnel to provide services for the operations of the Retirement Systems, and

WHEREAS, the Retirement System has engaged the services of Thomas A. Duval, as an independent contractor ("Contractor"), to provide clerical specialist services to the Retirement Systems and requested GRS participate in the joint employment of Contractor using the standard contract previously proposed by Special Legal Counsel, and

WHEREAS, Joseph Turner of Clark Hill PLC (the Board's Special Legal Counsel) has drafted an Independent Contractor Agreement (the Agreement) consistent with recent prior agreements with other contractual employees and such Agreement was approved by GRS and signed by GRS and Contractor, and

WHEREAS, the Board has been provided a copy of the Agreement, and

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

RESOLVED, that said Agreement be executed by two authorized signatories on behalf of the Board, consistent with the Board's policy, and be it further

EXECUTION OF INDEPENDENT CONTRACTOR AGREEMENT FOR
THOMAS A. DUVAL

RESOLVED, that a fully executed original of the Agreement be distributed to each party of such agreement, including the Retirement System, and such agreement be maintained in the Retirement System records, and be it further

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

YEAS – TRUSTEES BANDEMER, BEST, MOORE, NEARY, STEWART AND
CHAIRMAN PEGG – 6

NAYS – TRUSTEES JOHNSON, LEWIS AND MACK – 3

ABSTAIN – TRUSTEE JONES – 1

TRUSTEE GODBEE RE-JOINED THE MEETING.

NORTH POINT ADVISORS

ADRIAN ANDERSON DISCUSSED VARIOUS MATTERS WITH THE BOARD, INCLUDING THE RIVERS CASINO IN PITTSBURGH, PENNSYLVANIA, AND EMERGING MANAGER GROWTH AND INCOME (CREDO CAPITAL MANAGEMENT, VELOCITY CAPITAL PARTNERS AND MILLER-HOWARD INVESTMENTS).

PITG MEETING IN PITTSBURGH, PENNSYLVANIA

By Mr. Stewart – Supported by Mr. Best

Resolved, That the Board approve the attendance of its Investment Analyst at the PITG meeting in Pittsburgh, Pennsylvania, March 4, 2010:

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

NAYS – NONE

CONFERENCE

BY MR. STEWART – 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:

12th Annual Klausner & Kaufman Client Conference
Ft. Lauderdale. Florida
March 21, 2010 – March 24, 2010

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

NAYS – NONE

EMERGING MANAGERS

BY MR. BEST – SUPPORTED BY MR. STEWART

WHEREAS, THE BOARD OF TRUSTEES IS IN RECEIPT (THIS DATE) OF A RECOMMENDATION AND REPORT FROM NORTH POINT ADVISORS, SUMMARIZED AS FOLLOWS:

CREDO CAPITAL MANAGEMENT
ALLOCATION: \$10,000,000.00
FUNDING SOURCE: RHUMLINE MID-CAP INDEX

VELOCITY CAPITAL PARTNERS
ALLOCATION: \$ 7,000,000.00
FUNDING SOURCE: BLACKROCK S & P 500

MILLER-HOWARD INVESTMENTS
ALLOCATION: \$15,000,000.00
FUNDING SOURCE: BLACKROCK S & P 500

AND

WHEREAS, SAID RECOMMENDATION/REPORT INCLUDES FUNDING SOURCES FOR THE FOREGOING ALLOCATIONS TO BE RHUMLINE'S MID-CAP INDEX (\$10,000,000.00) AND BLACKROCK'S S & P 500 (\$22,000,000.00), THEREFORE BE IT

RESOLVED, THAT THE BOARD APPROVES THE THREE ABOVE-NAMED EMERGING MANAGERS AND THE FUNDING SOURCES INDICATED ABOVE, AND BE IT FURTHER

RESOLVED, THAT THE BOARD'S INVESTMENT ANALYST IS DIRECTED TO SEEK BIDS FROM THE BOARD'S BROKERS OF RECORD REGARDING THIS MATTER, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO NORTH POINT ADVISORS, RHUMLINE, BLACKROCK, AND THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEM:

ADRIAN ANDERSON
NORTH POINT ADVISORS
28 W. ADAMS
SUITE 1700
DETROIT, MICHIGAN 48226

EMERGING MANAGERS

J.D. NELSON
RHUMLINE
30 ROWES WHARF
BOSTON, MASSACHUSETTS 02110

PAUL YOUNGBLOOD
BLACKROCK/MERRILL LYNCH
ONE DETROIT CENTER
500 WOODWARD AVENUE
SUITE 3000
DETROIT, MICHIGAN 48243

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

NAYS – NONE

CAPITAL CALLS

BY MR. BANDEMER – SUPPORTED BY MR. MACK

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, MACK, MOORE, NEARY, STEWART AND CHAIRMAN
PEGG – 11

NAYS – NONE

FEES AND EXPENSES

BY MR. MOORE – SUPPORTED BY MR. BANDEMER

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, MACK, MOORE, NEARY, STEWART AND CHAIRMAN
PEGG – 11

NAYS – NONE

DOTT ACQUISITIONS

TRUSTEE LEWIS BRIEFLY DISCUSSED HIS MEETING WITH DOTT REPRESENTATIVES AND ASKED THAT SPECIAL LEGAL COUNSEL DON WAGNER BE REQUESTED TO APPEAR BEFORE THE BOARD ON MARCH 11, 2010 TO DISCUSS SAME.

PUBLIC FORUM

AT **3:00 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 **3:01 P.M.** UNTIL THURSDAY, **MARCH 11, 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