

MEETING NUMBER 2785

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



PROCEEDINGS HELD THURSDAY, MAY 13, 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
Seth Doyle	Ex/Officio 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 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

ABSENT

None

CHAIRPERSON

Jeffrey Pegg

VICE CHAIRPERSON

James Moore

ROLL CALL WAS TAKEN AT 9:07 A.M. BY THE BOARD'S RECORDING SECRETARY AND THE MEETING WAS CALLED TO ORDER.

TRUSTEE SETH DOYLE TEMPORARILY EXCUSED HIMSELF.

RETIREMENTS

BY MR. BANDEMER – SUPPORTED BY MR. BEST

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

YEAS – TRUSTEES BANDEMER, BEST, JOHNSON, LEWIS, STEWART AND VICE CHAIRMAN MOORE – 6

NAYS – NONE

RETIREMENTS

NAME, TITLE, DEPARTMENT: JEANETTE JOHNSON – WIDOW OF DECEASED JOHN W. JOHNSON – OFFICER - POLICE

RETIREMENT TYPE, PLAN: NON-DUTY, WIDOW - NEW
SERVICE CR./EFFECTIVE DATE: 24 02 23 – 03 17 10

NAME, TITLE, DEPARTMENT: DARRYL BRADFORD – SERGEANT - POLICE

RETIREMENT TYPE, PLAN: VESTED PENSION - NEW
SERVICE CR./EFFECTIVE DATE: 23 00 04 – 08 1 10

NAME, TITLE, DEPARTMENT: BILLY JACKSON – INSPECTOR – POLICE – PCOA -

RETIREMENT TYPE, PLAN: SERVICE - NEW
SERVICE CR./EFFECTIVE DATE: 28 08 01 – 05 28 10

RETIREMENTS

NAME, TITLE, DEPARTMENT: JAMES MINOR – OFFICER - POLICE
RETIREMENT TYPE, PLAN: DUTY DISABILITY RETIREMENT
CONVERSION – TYPE 35 - NEW
SERVICE CR./EFFECTIVE DATE: 30 02 15 – 07 02 07

NAME, TITLE, DEPARTMENT: ANTHONY THOMPSON – OFFICER -
POLICE
RETIREMENT TYPE, PLAN: DUTY DISABILITY RETIREMENT
CONVERSION - NEW
SERVICE CR./EFFECTIVE DATE: 25 00 00 – 04 08 10

NAME, TITLE, DEPARTMENT: KEVIN D. MCKANE – OFFICER -
POLICE
RETIREMENT TYPE, PLAN: DUTY DISABILITY RETIREMENT
CONVERSION - NEW
SERVICE CR./EFFECTIVE DATE: 25 00 00 – 07 29 10

NAME, TITLE, DEPARTMENT: DARRELL T. HARLAN – OFFICER –
POLICE
RETIREMENT TYPE, PLAN: DUTY DISABILITY RETIREMENT
CONVERSION – TYPE 35 - NEW
SERVICE CR./EFFECTIVE DATE: 28 10 01 – 07 09 96

NAME, TITLE, DEPARTMENT: RUBE WILLIAMS – OFFICER - POLICE
RETIREMENT TYPE, PLAN: DUTY DISABILITY RETIREMENT
CONVERSION – TYPE 35 - NEW
SERVICE CR./EFFECTIVE DATE: 29 05 03 – 01 06 01

DROP RETIREMENTS

BY MR. BANDEMER – SUPPORTED BY MR. STEWART

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

YEAS – TRUSTEES BANDEMER, BEST, JOHNSON, LEWIS, STEWART AND VICE
CHAIRMAN MOORE – 6

NAYS – NONE

DROP RETIREMENTS

NAME, TITLE, DEPARTMENT: ERIC HOUSE – OFFICER - POLICE
RETIREMENT TYPE, PLAN: DROP - NEW

DROP RETIREMENTS

SERVICE CR./EFFECTIVE DATE: 34 11 05 – 03 03 10

NAME, TITLE, DEPARTMENT: DALE LOTT – OFFICER - POLICE
RETIREMENT TYPE, PLAN: DROP - NEW
SERVICE CR./EFFECTIVE DATE: 28 05 19 – 04 01 10

TRUSTEE DOYLE RE-JOINED THE MEETING.

CONFIRMATIONS

BY MR. STEWART – SUPPORTED BY MR. BANDEMER

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

YEAS – TRUSTEES BANDEMER, BEST, DOYLE, JOHNSON, LEWIS, STEWART AND VICE CHAIRMAN MOORE – 7

NAYS – NONE

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY MR. LEWIS – SUPPORTED BY MR. DOYLE

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: 3355

REFUND AMOUNT: \$1,181,032.82

YEAS – TRUSTEES BANDEMER, BEST, DOYLE, JOHNSON, LEWIS, STEWART AND VICE CHAIRMAN MOORE – 7

NAYS – NONE

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

By Mr. Bandemer – Supported by Mr. Stewart

Whereas, The individual whose name is designated below has applied to this Board for Pre-Employment Military Service Credit and has 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 individual and the number of months eligible active duty be credited to him/her as membership service credit subject to the conditions and limitations of the authorizing Ordinance Provisions as amended by Board resolution of February 3, 1983:

Name: Anthony O'Rourke
Pension Number: 234991

YEAS – TRUSTEES BANDEMER, BEST, DOYLE, JOHNSON, LEWIS, STEWART AND
VICE CHAIRMAN MOORE – 7

NAYS – NONE

BEHRINGER HARVARD REIT I, INC.

BY MR. BEST – SUPPORTED BY MR. STEWART

WHEREAS, THE BOARD HAS BEEN PRESENTED WITH BEHRINGER'S HARVARD REIT I, INC. ANNUAL MEETING OF STOCKHOLDERS PROXY (JUNE 23, 2010), THEREFORE BE IT

RESOLVED, THAT SAID PROXY BE SUBMITTED TO COURTLAND PARTNERS FOR REVIEW AND RECOMMENDATION, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO COURTLAND PARTNERS AND THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEM:

BEHRINGER HARVARD REIT I, INC.

YEAS – TRUSTEES BANDEMER, BEST, DOYLE, JOHNSON, LEWIS, STEWART AND
VICE CHAIRMAN MOORE – 7

NAYS – NONE

TRUSTEE RALPH GODBEE ENTERED THE MEETING.

CHAIRMAN JEFFREY PEGG ENTERED THE MEETING.

MAY 27, 2010 MEETING CANCELLATION

BY MR. BANDEMER – SUPPORTED BY MR. BEST

RESOLVED, THAT THE POLICE AND FIRE RETIREMENT SYSTEM
BOARD MEETING OF THURSDAY, **MAY 27, 2010** BE CANCELLED AND
THE APPROPRIATE PARTIES BE NOTIFIED:

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

NAYS – NONE

VICE CHAIRMAN MOORE RELINQUISHED THE CHAIR TO CHAIRMAN PEGG.

TRUSTEE BRENDA JONES ENTERED THE MEETING.

TRUSTEE SEAN NEARY ENTERED THE MEETING.

LEGAL COUNSEL RONALD ZAJAC ENTERED THE MEETING.

SPECIAL LEGAL COUNSEL JOE TURNER ENTERED THE MEETING.

SMITH BARNEY

BRUCE BALLARD AND ASSOCIATE ANDY SPEARMAN DISCUSSED 2010 FIRST
QUARTER MANAGER PERFORMANCE AND MANAGER RECONCILIATIONS.

ADRIAN ANDERSON ENTERED THE MEETING DURING SMITH BARNEY'S
PRESENTATION.

MILESTONE

MARTY WEST AND ASSOCIATE KEN KELLEY PROVIDED THE BOARD WITH A LEASE ANALYSIS FOR ONE DETROIT CENTRE, AND DISCUSSED PFRS/GRS JEFFERSON AVENUE CORPORATION.

PFRS/GRS Jefferson Avenue Corp.: Termination Letter

By Ms. Jones – Supported by Mr. Lewis

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

WHEREAS, the Board has been requested to approve the execution of a termination letter from the corporation to the Design-Build Contract firm, White/Synergy JV dated May 13, 2010, and

WHEREAS, the execution of said document has been recommended by the Board's real estate advisor, Milestone Realty Services, Inc., and the Board's Special Legal Counsel, F. Logan Davidson, and

WHEREAS, the execution of said document has been reviewed and approved as to form by the Board's legal counsel and the execution of said document is consistent with prior action of the Board, therefore be it

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

RESOLVED, that a copy of this resolution be forwarded to Milestone Realty Services, Inc.; White/Synergy JV; the Board of Trustees of the General Retirement System of the City of Detroit; Special Legal Counsel, F. Logan Davidson; and the Accounting Division of the Retirement System:

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

NAYS – NONE

Entry in Minutes

PFRS/GRS Jefferson Avenue Corp.: Termination Letter

The Board of Trustees has been made aware of the execution of a termination letter from the corporation to the Design-Build Contract firm, White/Synergy JV dated May 13, 2010 by an officer of the corporation.

PFRS/GRS JEFFERSON AVENUE CORP.
2010 AND 2011 LANDSCAPING AND TREE REMOVAL CONTRACT

BY MS. JOHNSON – SUPPORTED BY MR. DOYLE

WHEREAS, THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT IS A 50% SHAREHOLDER OF THE CORPORATION, AND

WHEREAS, BOARD'S REAL ESTATE ADVISOR, MILESTONE REALTY SERVICES INC., HAS REQUESTED PROPOSED QUOTES FROM A TOTAL OF THREE CONTRACTORS FOR A TWO (2) YEAR LANDSCAPING AND TREE REMOVAL SERVICE CONTRACT AT 7850 E. JEFFERSON AVENUE, AND

WHEREAS, THE BOARD IS IN RECEIPT OF A 2010 AND 2011 LANDSCAPING BID MATRIX COMPRISED OF THE THREE COMPANIES THAT SUBMITTED THEIR PRICE QUOTES FOR THE REQUESTED SERVICES, AND

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

RESOLVED, THAT THE BOARD APPROVES THE BID PROPOSAL OF G. HOUSEY & COMPANY (CONTRACTOR), AND BE IT FURTHER,

RESOLVED, THAT THE BOARD AS 50% SHAREHOLDER OF THE PFRS/GRS JEFFERSON AVENUE CORP., APPROVES G. HOUSEY & COMPANY AS THE LANDSCAPING CONTRACTOR FOR PFRS/GRS JEFFERSON AVENUE CORP., AND FURTHER

RESOLVED, THAT THE CORPORATION SHALL PAY G. HOUSEY & COMPANY (CONTRACTOR) FOR THE ABOVE-MENTIONED SERVICES, EQUALLY FUNDED BY BOTH SHAREHOLDERS OF THE CORPORATION AT A PRO-RATA AMOUNT OF 50% PER RETIREMENT SYSTEM, SUBJECT TO THE RETIREMENT SYSTEM'S FINAL APPROVAL, AND FURTHER

PFRS/GRS JEFFERSON AVENUE CORP.
2010 AND 2011 LANDSCAPING AND TREE REMOVAL CONTRACT

RESOLVED, THAT THE BOARD UNDERSTANDS THAT ANY ADDITIONAL CHANGES TO THE LANDSCAPING CONTRACT OUTSIDE OF THE APPROVED SCOPE OF SERVICES MAY RESULT IN ADDITIONAL COSTS TO THE CORPORATION; AND IF SO, THESE ADDITIONAL COSTS MUST FUNDED BY THE CORPORATION, AND FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION IS FORWARDED TO MILESTONE REALTY SERVICES, INC.; G. HOUSEY & COMPANY (CONTRACTOR); THE BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT; AND THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEM:

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

NAYS – NONE

CLOSED SESSION

BY MR. BANDEMER – SUPPORTED BY MS. JOHNSON

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, BEST, DOYLE, GODBEE, JOHNSON,
JONES, LEWIS, MOORE, NEARY, STEWART AND CHAIRMAN
PEGG – 11

NAYS – NONE

The Board entered into Closed Session at 11:45 A.M.

OPEN SESSION

BY MR. MOORE – SUPPORTED BY MR. GODBEE

Resolved, That the Board return to Open Session:

CONTINUATION OF OPEN SESSION

A Roll Call Vote was taken as follows:

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

NAYS – NONE

The Board returned to Open Session at 12:50 P.M.

DURING CLOSED SESSION, THE BOARD, ALONG WITH SPECIAL COUNSEL F. LOGAN DAVIDSON, SPECIAL COUNSEL JOE TURNER AND ADRIAN ANDERSON, DISCUSSED THE RIVERS CASINO WITH GLC REPRESENTATIVES VIA PHONE CONFERENCE.

TRUSTEE PAUL STEWART EXCUSED HIMSELF FOR THE REMAINDER OF THE MEETING.

CLOSED SESSION

BY MR. GODBEE – SUPPORTED BY MS. JOHNSON

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, BEST, DOYLE, GODBEE, JOHNSON,
JONES, LEWIS, MOORE, NEARY, AND CHAIRMAN PEGG - 10

NAYS – NONE

The Board entered into Closed Session at 1:38 P.M.

TRUSTEE KIRK LEWIS EXCUSED HIMSELF DURING CLOSED SESSION.

OPEN SESSION

BY MS. JOHNSON – SUPPORTED BY MR. MOORE

Resolved, That the Board return to Open Session:

A Roll Call Vote was taken as follows:

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

NAYS – NONE

The Board returned to Open Session at 3:06 P.M.

GLC ADVISORS & CO., LLC

BY MR. NEARY – SUPPORTED BY MR. MOORE

WHEREAS, the Board of Trustees, along with the General Retirement System of the City of Detroit (GRS) previously authorized the Board's Business Consultant to interview candidates for the casino financial advisor; and

WHEREAS, the Board's Business Consultant recommended, and the Board approved, GLC Advisors & Co., LLC (GLC) as the Board's Casino Financial Advisor in the PITG/Rivers Casino matter, and

WHEREAS, the Board of Trustees and GRS agreed to evenly split all of GLC's fees relative to this matter, and

WHEREAS, GLC has submitted the attached Invoice No. 2010-128 dated May 1, 2010 for \$56,572.78, which represents one-half of the total monthly fee and costs, and such invoice has been reviewed by Special Counsel, and

WHEREAS, Special Counsel recommends payment of GLC's Invoice No. 2010-128 consistent with the policies of the Board of Trustees, and

WHEREAS, this matter has been considered by the Board of Trustees, and
THEREFORE BE IT

RESOLVED, that the Board of Trustees approves the payment of the GLC Invoice No. 2010-128 consisting of \$56,572.78 and authorizes the

GLC ADVISORS & CO., LLC - CONTINUED

accounting department to wire transfer the payment to GLC consistent with the invoice's wire instructions, and be it further

RESOLVED, that a copy of this resolution be forwarded to the Board's Special Legal Counsel; Business Consultant; Casino Financial Advisor; and the Accounting Division of the Retirement System:

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

NAYS – NONE

CAPITAL CALLS

BY MR. BEST – SUPPORTED BY MR. MOORE

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, DOYLE, GODBEE, JOHNSON,
JONES, MOORE, NEARY, AND CHAIRMAN PEGG - 9

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

FEES AND EXPENSES

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, DOYLE, GODBEE, JOHNSON, JONES, MOORE, NEARY, AND CHAIRMAN PEGG - 9

NAYS – NONE

PFRS Oak Grove Corp.: 2009 Tax Return

By Mr. Doyle – Supported by Mr. Neary

WHEREAS, the Board is the sole shareholder of the corporation,

WHEREAS, the Board has been requested to approve the execution of the 2009 U.S. Return of Organization Exempt from Income Tax dated May 13, 2010 by an officer of the corporation,

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

RESOLVED, that said document be executed by the appropriate corporate officers on behalf of the corporation:

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

NAYS – NONE

Entry in Minutes

PFRS Oak Grove Corp.: 2009 Tax Return

The Board of Trustees has been made aware of the execution of the 2008 U.S. Return of Organization Exempt from Income Tax dated May 13, 2010 by an officer of the corporation.

VALSTONE OPPORTUNITY FUND II, LLC

BY MR. DOYLE – SUPPORTED BY MR. NEARY

WHEREAS, THE BOARD HAS BEEN REQUESTED TO EXECUTE A “WRITTEN CONSENT RESOLUTION” DATED MAY 12, 2010 RELATIVE TO THE AFORESAID TRANSACTION, AND

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

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

RESOLVED, THAT THE EXECUTED ORIGINAL DOCUMENT BE FORWARDED TO THE APPROPRIATE PARTY, AND BE IT FURTHER

RESOLVED, THAT RETIREMENT SYSTEM ACCOUNTING STAFF RETAIN A COPY OF SAID EXECUTED ORIGINAL DOCUMENT:

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

NAYS – NONE

PUBLIC FORUM

AT **3:10 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 **3:15 P.M.** UNTIL THURSDAY, **MAY 20, 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

