

**Dallas Police and Fire Pension System**  
**Thursday, November 8, 2001**  
**8:30 a.m.**  
**2301 North Akard, Suite 200**  
**Dallas, Texas**

Regular meeting, Gerald Brown, Chairman, presiding:

**ROLL CALL**

**Board Members**

Present: Gerald Brown, Steve Shaw, George Tomasovic, Rector C. McCollum, Gary Edge, Steve Umlor, John Mays, Richard Wachsman, Councilmember Donald Hill, Councilmember Maxine Thornton-Reese

Absent: Councilmember Leo V. Chaney, Jr., Councilmember Mitchell Rasansky

**Staff** Richard Tettamant, Don Rohan, Brian Blake, Everard Davenport, Don McMillan, Linda Rickley, John Holt, Jerry Chandler

**Others** Rosalind Hewsenian, Joel Whidden, Robert McGowan, Audrey Jones, Brent Wilson, Wayne Antrobus, Warren G. Horton, Tony Takats, Andy Davis, James Dondero, Richard C. Jakob, Howard Marks, Greg Brandner, Gary Lawson, Gus Fields

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The meeting was called to order at 8:31 a.m.

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**A. BOARD OF TRUSTEES**

**1. Welcome of new City Council trustees**

Mr. Tettamant stated that two new City Council Trustees had been appointed to the Board as of October 4, 2001: Leo V. Chaney, Jr. and Michell Rasansky.

**2. Recognition of former trustees of the Dallas Police and Fire Pension System**

The terms of Councilmember Mary Poss and Councilmember John Loza as Trustees of the Dallas Police and Fire Pension System Board expired as of October 4, 2001.

After discussion, Mr. Edge made a motion to recognize the contributions to the Board of former Councilmember Trustees, Mary Poss and John Loza. Mr. McCollum seconded the motion, which was unanimously approved by the Board.

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**B. CONSENT AGENDA**

**1. Approval of Minutes**

Regular meeting of October 11, 2001

**2. Approval of the Monthly Trustee Summary for the Month of September 2001**

**3. Approval of Refunds of Contributions for the Month of October 2001**

**Refund of Combined Pension Plan, Section 6.02 Group B Contributions**

<u>EMPLOYEE NAME</u>	<u>DEPT.</u>	<u>REFUND DATE</u>
Timothy D. Blakely	P	Oct. 12, 2001
Philip C. Buntin	P	Oct. 12, 2001
C. L. Dietrich	P	Oct. 26, 2001
Peter Dongmin Ji	P	Oct. 12, 2001
Laura J. Oswald	P	Oct. 26, 2001
William D. Regan	P	Oct. 26, 2001
W. C. Thompson	F	Oct. 12, 2001

**REIMBURSEMENT TO CITY CONTROLLER'S OFFICE OF OVERPAID PENSION CONTRIBUTIONS FOR THE FOLLOWING MEMBERS:**

Daniel W. Carter	F	Oct. 22, 2001
John P. Denk	P	Oct. 22, 2001
Janice Easterling	P	Oct. 26, 2001
Russell D. Fuller	F	Oct. 22, 2001
T. G. Hershberger	P	Oct. 22, 2001
Roy L. Jackson	P	Oct. 22, 2001
Ronnie C. Lemm	F	Oct. 22, 2001
Ronnie N. Mason	P	Oct. 22, 2001
Marion G. Phagan	P	Oct. 22, 2001
Lawrence R. Price	P	Oct. 22, 2001
Ronald H. Reid	F	Oct. 22, 2001
David G. Renfro	P	Oct. 22, 2001
Jerry V. Rushing	F	Oct. 26, 2001
Ronny J. Salter	P	Oct. 22, 2001
David M. Sullivan	P	Oct. 22, 2001

**REFUND OF OVERPAYMENT OF WITHDRAWN CONTRIBUTIONS FOR THE FOLLOWING MEMBERS:**

Gary A. Colecchi	P	Oct. 17, 2001
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**4. Approval of Activity in the Deferred Retirement Option Plan (DROP) for November 2001**

**New DROP\* Participants**

EMPLOYEE NAME	DEPT.
Buck Boren	Fire
Jacob A. George	Fire
Ralph R. Henson	Fire
Robert P. Trail	Fire
Ralph W. Benson	Police
Janice L. Green	Police
Harry Green, III	Police
Daniel F. Krieter	Police
Robert C. Mitchell	Police
Jerome Thomas	Police

**DROP\* Status Changes**

NAME	DEPT.	STATUS CODE
Reuben M. Millsaps	Fire	2
Jimmy F. Berry	Police	2
Loy T. Smith	Police	1

* Status Codes	
1 - Active DROP to Retiree DROP	2 - Retiree DROP to Payment
3 - Retiree to Retiree DROP	4 - Active (No DROP) to Retiree DROP

**Transfer Funds from DROP\* to 401(k)**

MEMBER	DEPT.
Lowell W. Bass	Police

**5. Approval of Vested Rights Letters**

- a. Norman Bell, III, Police Officer
- b. Glenford Gibson, Firefighter
- c. Daryl D. Walker, Police Officer

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**6. Approval of Estate Settlements**

<i>Survivor (S)</i>					
Jewell F. Allen (S)	Police	July 24, 2001	Frank B. Allen, III	A - Sec. 6.01	
Elton J. Coulon (M)	Police	July 11, 2001	Andrea Cook	B - Sec. 6.02	

**7. Approval of Survivor Benefits - Deceased Retirees**

S. E. Blount	Fire	Oct. 7, 2001	Louise Blount	Yes	B - Sec. 6.05
Albert C. Tadlock	Police	Oct. 13, 2001	Anna G. Tadlock	No	A - Sec. 6.01

**8. Approval of Service Retirements**

					<b>* DROP Participant</b>
Loy T. Smith	Police	October 24, 2001	B - Sec. 6.02(b)		Yes/VIII

* Distribution Method	
NE - Not Eligible	V - Monthly Payments
I - Life Annuity	VI - Although Eligible - No Distribution Elected
II - Joint/Survivor Annuity	VII - Did Not Join
III - Lump Sum ASAP	VIII Pensioner DROP
IV - Lump Sum Partial or Delayed Payment	

**9. Approval of Request for Acknowledgment of Name Change**

Vickie S. Trujillo	Police	November 2001	Vickie S. McDonald
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After discussion, Mr. Wachsman made a motion to approve the items on the Consent Agenda, subject to the final approval of the Administrator. Mr. Tomasovic seconded the motion, which was unanimously approved by the Board.

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**C. DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR INDIVIDUAL CONSIDERATION**

**1. Deutsche Asset Management micro cap review**

Joel Whidden, Audrey Jones, and Robert McGowan, representatives of Deutsche Asset Management, discussed the micro cap portfolio performance for the third quarter ended September 30, 2001 with the Board, staff, and Ms. Hewsenian, investment consultant.

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**1. Deutsche Asset Management micro cap review (continued)**

After discussion, Mr. Shaw made a motion to receive and file the Deutsche Asset Management micro cap review. Mr. Edge seconded the motion, which was unanimously approved by the Board.

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**2. Closed Session - Board serving as Medical Committee**

Discussion of the following disability applications and recall was closed to the public under the terms of Section 551.078 of the Texas Government Code at 10:25 a.m.:

**a. Disability applications:**

				<b>On or Off-Duty</b>
Warren G. Horton	Police	November 8, 2001	B - Sec. 6.05	On-Duty
Gregory V. Kirkpatrick	Fire	November 8, 2001	B - Sec. 6.05	On-Duty

**b. Disability recall:**

George S. Finley, retired police officer

Mr. Tettamant, Administrator, reviewed with the Board the medical information and physicians' reports regarding the disability applications of Warren G. Horton and Gregory V. Kirkpatrick, and the disability recall of George S. Finley.

The meeting was reopened at 10:32 a.m. and closed at 10:32 a.m. for an executive legal session regarding the Horton disability application.

The meeting was reopened at 10:41 a.m.

The meeting was closed at 10:42 a.m. for an executive session-medical regarding the Horton disability application.

The meeting was reopened at 10:51 a.m.

After discussion, Mr. Shaw made a motion to grant **Warren G. Horton** an on-duty, Combined Pension Plan, Section 6.05-Group B disability benefit, subject to the System's right under the Board-approved disability recall procedure to require Mr. Horton to undergo future medical examination(s) to determine if the disability still exists or if recovery has been made to the point that Mr. Horton is able to return to duty or two years, whichever is sooner. Mr. McCollum seconded the motion, which was unanimously approved by the Board.

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**2. Closed Session - Board serving as Medical Committee (continued)**

The meeting was closed at 10:52 a.m.

The meeting was reopened at 11:00 a.m.

The Board tabled the discussion of **Gregory V. Kirkpatrick's** disability application because he was not present at the meeting.

After discussion, Mr. Shaw made a motion to grant continuance of **George S. Finley's** on-duty, Combined Pension Plan, Section 6.05(b) - Group B disability benefit, subject to the System's right under the Board-approved disability recall procedure to require Mr. Finley to undergo future medical examination(s) to determine if the disability still exists or if recovery has been made to the point that Mr. Finley is able to return to duty or two years, whichever is sooner. Mr. Tomasovic seconded the motion, which was unanimously approved by the Board.

The meeting was recessed at 11:20 a.m.

The meeting was reconvened at 11:55 a.m.

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**3. Plan amendment election**

- a. Possible plan amendments and associated costs
- b. Actuary's letter
- c. Approval of proposed amendments
- d. Plan amendment election procedures
- e. Plan amendment election schedule
- f. Call for plan amendment election

Mr. Tettamant discussed the following points with the Board:

- a. The General Counsel and staff, from notes taken at the workshop, developed the list of proposed plan amendments. The actuarial costs were provided by the System's actuary. The actual proposed changes to the plan document that will encompass the proposed changes were distributed to the Board.
- b. The actuary's letter stating to the Board that each amendment is actuarially sound was distributed to the Board. The exception is the proposed change to the Special Survivor Benefit. The actuary discussed this with the Board.
- c. Approval of Proposed Amendments - The Board in the past has required that each proposed amendment be voted on separately. The Board discussed the proposed ballot packet that is to be sent to each member. The packet

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**3. Plan amendment election (continued)**

included a cover letter, a "ballot," a ballot explanation, and the "red-lined" plan changes.

- d. Plan Amendment Election Procedures - the Board may modify the Board approved amendment election procedures. The staff did not recommend any changes at this time.
- e. Plan Amendment Election Schedule - The proposed schedule follows the timetable set in the election procedures and the plan document (Section 7.01). Mr. Tettamant explained that a possible issue with the schedule might be the mailing of material to the membership because of any tightened security procedures by the Post Office. The post office assures the staff that there should not be a problem in mailing the normal size packet that we have sent previously. Also, the video production was scheduled for Tuesday November 14, 2001 at the Police Academy.
- f. Call for the plan amendment election - The Board is required by the plan document (Section 7.01 (e)) by a majority vote to issue a notice calling for the election.

After discussion, Mr. Shaw made a motion to proceed with the proposed plan amendments, except for the amendment that would authorize the Board to purchase life insurance for Members and Pensioners at a future date, and the amendment that would provide a Qualified Surviving Spouse Special Death Benefit by making the Special Survivor Benefit available to persons with 25 or more years of pension service. Mr. McCollum seconded the motion, which was unanimously approved by the Board.

After discussion, Mr. Wachsman made a motion to approve the election packet to be distributed to the members and to approve the election schedule, subject to the final approval by the Administrator. Mr. Shaw seconded the motion, which was unanimously approved by the Board.

After discussion, Messrs. Wachsman, Mays, and Edge jointly made a motion to call for a Plan Amendment Election, to be held December 6-17, 2001. Mr. McCollum seconded the motion, which was unanimously approved by the Board.

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**4. Police officer and firefighter pay lawsuits**

In accordance with the terms of Section 551.071 of the Texas Government Code, the Board went into a closed executive legal session at 2:48 p.m. to discuss the status of the various pay lawsuits.

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**4. Police officer and firefighter pay lawsuits**

The meeting was reopened at 2:55 p.m.

No motion was made.

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**5. Hillco Partners contract for legislative consulting services**

Mr. Tettamant stated that it is time to renew the Hillco Partners contract. The contract will begin on January 1, 2002 and expire on December 31, 2003, a period of two years.

The fee is \$4,200 per month with an additional maximum of \$550 per month for expenses.

After discussion, Mr. Shaw made a motion to approve the Hillco Partners contract for legislative consulting services, subject to the final approval of the Administrator and the attorney. Mr. Wachsman seconded the motion, which was unanimously approved by the Board.

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**6. Voluntary contributions to the Texas State Pension Review Board**

Mr. Tettamant stated that the Pension Office received a memorandum from the Pension Review Board regarding their annual request for voluntary contributions of up to a maximum of \$.50 per member. Two requests were sent - one for the Regular Fund and one for the Supplemental Fund.

Mr. Tettamant distributed to the Board a copy of a letter from the Austin Police Pension Fund concerning a proposed actuarial review process change at the Texas State Pension Review Board. The Pension System actuary reviewed the letter and expressed concerns about several issues.

After discussion, Mr. Edge made a motion to approve the voluntary contributions to the Texas State Pension Review Board, subject to the favorable resolution of an actuarial requirement issue before the Pension Review Board. Mr. Mays seconded the motion, which was unanimously approved by the Board.

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**7. Pension System's monthly financial statement**

The Board and staff discussed the monthly financial statement for the period ended September 30, 2001.



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**7. Pension System's monthly financial statement**

After discussion, Mr. Wachsman made a motion to receive and file the monthly financial statement. Mr. Mays seconded the motion, which was unanimously approved by the Board.

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**8. Staff and Board Members' reports on Board-approved seminars and/or conferences they attended**

**a. Conference: Board & Staff Annual Workshop**

**Dates:** October 15-18, 2001

A report was given by those who attended the workshop.

**b. Conference: Public Safety: Pension & Benefits Conference**

**Dates:** October 21-24, 2001

Messrs. Edge, Wachsman, Mays, and Tettamant reported on the annual meeting.

**c. Conference: National Certification Program for Trustees & Administrators**

**Dates:** October 21-26, 2001

Mr. Rohan reported on this conference.

**d. Conference: Olympus 2001 Annual Partners' Meeting**

**Dates:** November 5-6, 2001

Messrs. Brown and Blake reported on the annual meeting.

After discussion, Mr. Edge made a motion to receive and file the Board and staff members' reports on the Board-approved seminars and/or conferences they attended. Mr. Tomasovic seconded the motion, which was unanimously approved by the Board.

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**9. Possible selection of distressed debt investment manager, which will include interviews with the following finalists:**

- a. Highland Capital
- b. Oaktree Capital Management (OCM Opportunities Fund IV)

Representatives of Highland Capital and Oaktree Capital Management discussed their firms' distressed debt products with the Board, staff, and Ms. Hewsenan, the System's investment consultant, as follows:

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**9. Possible selection of distressed debt investment manager, which will include interviews with the following finalists:**

Highland Capital Management, L.P.	- James Dondero, Richard C. Jakob
Oaktree Capital Management, LLC	- Howard Marks, Greg Brandner

After discussion, Mr. Edge made a motion to receive and file the distressed debt investment manager presentations. Mr. Umlor seconded the motion, which was unanimously approved by the Board.

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**10. Monthly asset allocation report**

- a. Monthly asset allocation report
- b. Wilshire Associates' recommendations for rebalancing the Pension System's investment portfolio

The Asset Allocation Monitoring Report and the Real Estate Portfolio Report are included in Minute Book Number 30 on pages \_\_\_\_\_.

Wilshire Associates Incorporated recommended that \$15 million be transferred from Deutsche global bonds and \$7 million be transferred from WR Huff high yield. These assets should be transferred to the SSGA international equity fund. There is approximately \$11.2 million in cash equivalents. The cash equivalents balance is reserved for administrative expenses and a capital call for the INVESCO real estate portfolio. No additional rebalancing is necessary at this time.

After discussion, Mr. Tomasovic made a motion to receive and file the November 2001 monthly asset allocation report and approve Wilshire Associates' recommendations. Mr. Edge seconded the motion, which was unanimously approved by the Board.

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**11. 2001 Investment Review and 2002 Investment Planning Session**

Ms. Hewsenian discussed the original 2001 Work Plan and reviewed the 2001 investment accomplishments. She also discussed a proposed investment work plan for 2002.

After discussion, Mr. Edge made a motion to receive and file the 2001 Investment Review and approve the proposed 2002 Investment Work Plan. Mr. Mays seconded the motion, which was unanimously approved by the Board.

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**DALLAS POLICE AND FIRE PENSION SYSTEM  
NOVEMBER 2001 ASSET ALLOCATION MONITORING REPORT**

Asset Class		Target		Actual		Range		Difference
		\$	%	\$	%	Minimum	Maximum	vs. Target \$
<b>EQUITY</b>								
<b><u>Domestic Equity</u></b>								
S & P Index	SSgA	290.61	16.00		13.96	9.00	17.50	(37.13)
Large Cap Growth	Oak Assoc.	108.98	6.00		6.09	5.00	7.00	1.59
Micro Cap	Deutsche Asset Mgmt	90.82	5.00	253.48	4.79	4.00	6.00	(3.79)
Large Cap Value	Alliance Capital	108.98	6.00	110.57	5.79	5.00	7.00	(3.83)
Private Equity	NTOP/Huff	0.00	0.00	87.03	0.90	0.00	5.00	0.00
	Mitchell Group	18.16	1.00	105.15	1.12	1.00	1.50	0.00
Energy		617.54	34.00	16.37	32.65	29.00	39.00	(24.59)
<b>Total Domestic Equity</b>								
<b><u>International Equity</u></b>								
Active Large Cap	Bank of Ireland	163.47	9.00	147.41	8.12	7.50	10.50	(16.06)
Active Emerging	Deutsche Asset Mgmt	90.82	5.00		4.28	4.00	6.00	(13.10)
Passive EAFE Int'l Index	SsgA	181.63	10.00		8.58	8.50	11.50	(25.73)
<b>Total International Equity</b>								
		435.91	24.00	77.72	20.98	20.00	28.00	(54.88)
				155.90				
		1,053.45	58.00	381.03	73.98	49.00	67.00	(79.47)
<b>FIXED INCOME</b>								
<b><u>Total Equity</u></b>								
<b><u>Global High Quality</u></b>	Deutsche Asset Mgmt	181.63	10.00	194.60	10.71	8.50	11.50	12.97
<b><u>Domestic High Yield</u></b>	W.R. Huff	90.82	5.00		5.33	3.00	7.00	6.01
<b><u>Global Opportunistic</u></b>								
Opportunistic Partnership	W.R. Huff	54.49	3.00	96.82	61.98	0.00	4.00	7.49
GOFI Separate Account	Loomis-Sayles	163.47	9.00		9.12	8.00	14.00	2.12
<b>Total Global Opportunistic</b>								
		217.96	12.00		12.53	10.00	14.00	9.61
		490.40	27.00	165.59	28.57	21.50	32.50	28.59
<b>Total Fixed Income</b>								
				227.57				
<b><u>REAL ESTATE</u></b>		272.45	15.00	518.93	12.11	13.00	17.00	39.67
<b><u>CASH EQUIVALENTS</u></b>		0.00	0.00		0.62	0.00	0.00	11.22
<b>Total Assets</b>								
		1,816.30	100.00	1,816.30	100.00	83.50	116.50	0.00

11.22

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**DALLAS POLICE AND FIRE PENSION SYSTEM  
NOVEMBER 2001 ASSET ALLOCATION MONITORING REPORT  
Real Estate Portfolio**

Real Estate Manager	Market Value	Percentage of Real Estate Assets	Target Percentage	Committed Capital	Variance from Target Vs Committed
<b>Managers in Redemption</b>					
AEW Capital Management (Copley DPA)	18,554	0.01%	0.00%		18,554
Hetman Capital Management (JMB III & IV)	1,428,797	0.46%	0.00%		1,428,797
Prudential (Strategic Value Investors. LLC)	10,237,230	3.28%	0.00%		10,237,230
<b>Subtotal</b>	<b>11,684,580</b>	<b>3.74%</b>	<b>0.00%</b>	<b>0</b>	<b>11,684,580</b>
<b>Separate Account Managers</b>					
Agricultural - Hancock	18,270,075	5.85%	10.00%	27,244,324	(8,974,249)
Forest Investment Associates	46,253,538	14.82%	12.50%	34,055,405	12,198,132
INVESCO Realty	29,746,139	9.53%	17.50%	47,677,568	(17,931,429)
Kennedy Associates	33,385,493	10.70%	12.50%	34,055,405	(669,912)
L & B Real Estate Counsel	43,809,282	14.04%	15.00%	40,866,487	2,942,795
RREEF	64,054,079	20.52%	17.50%	47,677,568	16,376,512
<b>Subtotal</b>	<b>235,518,606</b>	<b>75.46%</b>	<b>85.00%</b>	<b>231,576,757</b>	<b>3,941,849</b>
<b>Opportunistic Partnerships</b>					
Hearthstone (MSII Homebuilding)	1,901,384	0.61%		10,000,000	(8,098,616)
Crow Holdings Realty Partners II	4,398,081	1.41%		20,000,000	(15,601,919)
Oak tree Capital Management (OCM R E Opportunities Fund B)	15,429,279	4.94%		15,000,000	429,279
Hudson Advisors (Brazos, Lone Star I, II, III)	26,077,249	8.36%		43,511,341	(17,434,092)
Olympus Real Estate Fund II & III	17,099,393	5.48%		30,000,000	(12,900,607)
<b>Subtotal</b>	<b>64,905,386</b>	<b>20.80%</b>	<b>15.00%</b>	<b>118,511,341</b>	<b>(53,605,955)</b>
<b>Total Real Estate</b>	<b>312,108,573</b>	<b>100.00%</b>	<b>100.00%</b>	<b>350,088,099</b>	<b>(37,979,526)</b>

Market value total fund

**1,816,288,293**

\$

%

Target Value (\$ and %)

**272,443,244**

**15.00%**

Market Value (\$ and %)

**312,108,573**

**17.18%**

Variance from Target

**39,665,329**

**2.18%**

Total Committed Capital

**361,772,679**

Managers in Redemption

**11,684,580**

Actual Committed Capital

**350,088,099**

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**D. BRIEFING ITEMS**

**1. Reports and concerns of active members and pensioners of the Dallas Police and Fire Pension System**

No active members or retirees were present to discuss concerns.

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**2. Administrator's report**

- a. Custodial bank/consultants update, including monthly investment performance summary
- b. Investment managers update
- c. Professional services providers update
- d. Texas Public Employee Retirement Systems (TEXPERS), National Conference on Public Employee Retirement Systems (NCPERS), and the Coalition to Preserve Retirement Security (CPRS)
- e. Continuing education/investment research

Mr. Tettamant discussed the monthly report on performance returns prepared by State Street Bank & Trust, the System's custodial bank.

Mr. Tettamant updated the Board on the investment managers and professional services providers, and other current developments relating to the Pension System.

After discussion, Mr. Mays made a motion to receive and file the Administrator's report. Mr. Shaw seconded the motion, which was unanimously approved by the Board.

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**3. Board operations and procedures**

This item was tabled.

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Mr. Tettamant stated that there was no further business to come before the Board. On a motion by Mr. Shaw and a second by Mr. McCollum, the meeting was adjourned at 3:22 p.m.

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Gerald Brown  
Chairman

**ATTEST:**

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Richard L. Tettamant  
Secretary

CITY OF DALLAS - POLICE & FIRE PENSION SYSTEM  
ASSET DISTRIBUTION BY ADVISOR - AS OF September 30, 2001

EQUITY- DOMESTIC ADVISORS:	MARKET VALUE	% OF FUND ASSETS	ADVISOR % OF CLASS
ALLIANCE CAPITAL MANAGEMENT	114,132,559.30	6.5 %	21.0 %
DEUTSCHE ASSET MGMT MICRO-CAP	88,591,558.93	5.0 %	16.3 %
HUFF ALTERNATIVE FUND LP	7,564,972.00	0.4 %	1.4 %
NORTH TEXAS OPPORTUNITY	6,336,662.46	0.4 %	1.2 %
OAK ASSOCIATES	59,256,210.25	3.4 %	10.9 %
SSGA S&P 500 FLAGSHIP	268,778,053.43	15.3 %	49.2 %
*** TOTAL EQUITY-DOM ADVISORS ***	544,660,016.37	31.0 %	100.0 %
<b>FIXED INCOME ADVISORS:</b>			
HUFF ALTERNATIVE INCOME FUND	50,749,193.00	2.9 %	32.9 %
TCW SPECIAL CREDITS TR III	542,780.00	0.0 %	0.4 %
W. R. HUFF HIGH YIELD	102,814,847.46	5.9 %	66.7 %
*** TOTAL FIXED INCOME ADVISORS ***	154,106,820.46	8.8 %	100.0 %
<b>GLOBAL FIXED INCOME ADVISORS:</b>			
DEUTSCHE ASSET MGMT GLOBAL FIX. INC	205,036,330.85	11.7 %	55.3 %
LOOMIS SAYLES & CO	165,874,870.75	9.4 %	44.7 %
*** TOTAL GLOBAL FI ADVISORS ***	370,911,201.60	21.1 %	100.0 %
<b>REAL ESTATE ADVISORS:</b>			
AEW CAPITAL MANAGEMENT	18,553.14	0.0 %	0.0 %
CROW HOLDINGS	4,463,149.20	0.3 %	1.3 %
FOREST INVESTMENT ASSOCIATES	46,217,304.37	2.6 %	15.4 %
HANCOCK AGRICULTURAL INVEST FD	15,925,172.00	0.9 %	5.3 %
HEARTHSTONE MSH HOMEBUILDING	1,554,904.59	0.1 %	0.5 %
HEITMAN CAPITAL MANAGEMENT	1,428,662.05	0.1 %	0.5 %
HUDSON ADVISORS	27,018,071.31	1.5 %	9.0 %
INVESCO	21,871,350.35	1.2 %	7.3 %
KENNEDY ASSOCIATES	29,951,597.92	1.7 %	10.0 %
L & B	43,809,294.71	2.5 %	14.6 %
OAKTREE CAPITAL MANAGEMENT	15,657,955.00	0.9 %	5.2 %
OLYMPUS REAL ESTATE	15,835,102.00	0.9 %	5.3 %
PRUDENTIAL INVESTMENTS	10,210,797.00	0.6 %	3.4 %
RREEF	66,802,445.82	3.8 %	22.2 %
*** TOTAL REAL ESTATE ADVISORS ***	300,764,359.46	17.1 %	100.0 %
<b>EQUITY- INTERNATIONAL ADVISORS:</b>			
BANK OF IRELAND	143,777,164.56	8.2 %	39.1 %
DEUTSCHE ASSET MGMT (EMERGING MKT)	72,768,792.87	4.1 %	19.7 %
SSGA: EAFE	151,540,455.85	8.6 %	41.2 %
*** TOTAL EQUITY-INT. ADVISORS ***	368,086,413.28	20.9 %	100.0 %
<b>CASH:</b>			
COMMINGLED CASH	8,114,596.13	0.5 %	38.7 %
CONTRIBUTION & EXPENSE ACCOUNT	12,844,028.28	0.7 %	61.3 %
*** TOTAL CASH ***	20,958,624.41	1.2 %	100.0 %
TOTAL MASTER TRUST	1,759,487,435.58	100.0 %	
CITY CONTRIBUTIONS	5,759,178.79		
EMPLOYEE CONTRIBUTIONS	1,244,754.49		
BENEFIT DISTRIBUTIONS	-6,933,719.36		
EXPENSES	-320,317.51		