

Dallas Police and Fire Pension System
Thursday, May 9, 2002
8:30 a.m.
2301 North Akard Street
First Floor Conference Room
Dallas, Texas

Regular meeting, Gerald Brown, Chairman, presiding:

ROLL CALL

Board Members

Present: Gerald Brown, George Tomasovic, Rector C. McCollum, Gary Edge, Steve Umlor, John Mays, and Richard Wachsman

Absent: Councilmember Leo V. Chaney, Jr., Councilmember Donald Hill, Steve Shaw, and Councilmember Maxine Thornton-Reese

Staff Richard Tettamant, Don Rohan, Brian Blake, Everard Davenport, Linda Stevenson, Pat McGennis, Don McMillan, Jay Jackson, Jerry Chandler, and Linda Rickley

Others Robert McManama, Mart Mitchell, Matthew J. Clay, Craig A. Svendsen, and Richard Mackesey

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The meeting was called to order at 8:30 a.m.

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A. CONSENT AGENDA

1. Approval of Minutes

Special meeting of April 9, 2002
Regular meeting of April 11, 2002
Quarterly meeting of April 18, 2002

2. Approval of the Monthly Trustee Summary for the Month of March 2002

3. Approval of Refunds of Contributions for the Month of April 2002

Refund of Combined Pension Plan, Section 6.02 Group B Contributions
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<u>EMPLOYEE NAME</u>	<u>DEPT.</u>	<u>REFUND DATE</u>
William D. Alford	P	Apr. 10, 2002
Cristino Garcia, Jr.	P	Apr. 10, 2002

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3. Approval of Refunds of Contributions for the Month of April 2002

Refund of Combined Pension Plan, Section 6.02 Group B Contributions (continued)
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<u>EMPLOYEE NAME</u>	<u>DEPT.</u>	<u>REFUND DATE</u>
Willie L. Gibbs	P	Apr. 2, 2002
Daryle W. Johnson	P	Apr. 2, 2002
Timothy L. Thomas	P	Apr. 22, 2002
Raymond Thompson	P	Apr. 10, 2002
Alejandro Villarreal	P	Apr. 22, 2002

Reimbursement to City Controller's Office of Overpaid Pension Contributions for the Following Members:

David S. Martin	F	Apr. 5, 2002
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**4. Approval of Activity in the Deferred Retirement Option Plan (DROP) for
May 2002**

New DROP* Participants

EMPLOYEE NAME	DEPT.
James W. Broyles	Fire
Carlton T. Evans	Fire
Harold L. Sumner Jr.	Fire
Charles T. Batchelor	Police
David J. Bonicard	Police
Roger D. Hetrick	Police
Michael Hoskins	Police
Jack I. Misak	Police
David M. Thomas	Police
Joe F. Thompson	Police
Marcia M. Snowden	Police

DROP Status Changes

NAME	DEPT.	STATUS CODE
T.J. Iwanski	Fire	2
Kenneth R. Hill	Fire	3
Michael W. Tidwell	Police	1

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4. Approval of Activity in the Deferred Retirement Option Plan (DROP) for May 2002 (continued)

Retiree New DROP Enrollees

NAME	DEPT.	STATUS CODE
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None

DROP 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.
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Samuel E. Conner, Jr.	Fire
David L. Brewer	Fire
Sidney R. Whitaker	Fire

5. Approval of Vested Rights Letters

- a. Phillip H. Barker, Police Officer
- b. Daniel T. Nguyen, Police Officer

6. Approval of Payment of First Year Contributions

Charles Batchelor, Police Officer

7. Approval of Payment of Previously Withdrawn Contributions

- a. Mark A. McClenny, Police Officer
- b. Mark J. Tarver, Police Officer

8. Approval of Payment of Contributions for Prior Periods

James W. Broyles, Firefighter

9. Approval of Earnings Test

- a. Steven E. Sparks, Police Officer
- b. Michael D. Zang, Police Officer

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10. Approval of Estate Settlements

Deceased (Member (M) or Survivor (S))	Dept.	Date Of Death	Estate Payment To	Group
Yamella K. (Penny) Howard (S)	Fire	Apr. 6, 2002	Leland Howard	B - Sec. 6.02
Minta L. Shelton (S)	Fire	Mar. 11, 2002	Patricia Riley	A - Sec. 6.01
R. A. Shinn (M)	Fire	Feb. 13, 2002	Vincent Shinn	B - Sec. 6.02
W. L. Stover (M)	Fire	Nov. 29, 2001	Benjamin L. Stover, Sr.	B - Sec. 6.02
Ima Johnson (S)	Police	April 1, 2002	Alan Johnson	B - Sec. 6.02
Frances E. Kaminski (S)	Police	April 2, 2002	Ron Kaminski	B - Sec. 6.02
Thelma M. Veatch (S)	Police	Jan. 13, 2002	James Sachse	A - Sec. 6.01

11. Approval of Survivor Benefits - Deceased Retirees

Deceased Retiree	Dept.	Date Of Death	Qualified Survivor	Estate Payment	Group
Walter A. Bolton	Police	Apr. 9, 2002	Verna Bolton	Yes	B - Sec. 6.02
John L. Gage	Police	Mar. 20, 2002	Betty J. Gage	Yes	A - Sec. 6.01
James R. Gilmore	Police	Mar. 24, 2002	Peggy A. Gilmore	Yes	B - Sec. 6.02
Travis Hopson	Police	Mar. 29, 2002	Delores Gaynell Hopson	No	A - Sec. 6.01

12. Approval of Survivor Benefits - Deceased Member

Deceased Member	Dept.	Date Of Death	Qualified Survivor	Estate Payment	Group
Vincent L. Davis	Fire	Feb. 11, 2002	Brenda K. Moore, Guardian of Breyana K. Moore-Davis	No	B - Sec. 6.08

13. Approval of Service Retirements

Member	Dept.	Effective	Group	* DROP Participant
James M. Squires	Fire	May 1, 2002	B - Sec. 6.02(b)	Yes/V
Benjamin F. Caperton	Police	May 8, 2002	B - Sec. 6.02(b)	Yes/V
John D. Chappelle	Police	April 1, 2002	B - Sec. 6.02(b)	No/VII
Bobby G. Denney	Police	April 24, 2002	B - Sec. 6.02(b)	Yes/III
Michael W. Tidwell	Police	May 8, 2002	B - Sec. 6.02(b)	Yes/VIII
Michael D. Wallace	Police	May 1, 2002	B - Sec. 6.02(b)	Yes/V
Rebecca A. Williams	Police	May 8, 2002	B - Sec. 6.02(b)	Yes/IV & V

* 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 - Retiree DROP
IV - Lump Sum Partial or Delayed Payment	IX - 100% Joint & Survivor

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14. Approval of Alternate Payee Benefits

Alternate Payee	Member	Dept.	Group
Helen M. Davis	William E. Davis	Fire	B - Sec. 6.02
Mona Beene	Bruce E. Uecker	Police	B - Sec. 6.02

15. Approval of Request for Acknowledgment of Name Change

Old Name	Dept.	Effective Payroll	New Name
Laurie Baker	Police	May 2002	Laurie Wiginton

After discussion, Mr. Wachsman made a motion to approve the items on the Consent Agenda, subject to the final review and approval of the Administrator. Mr. Umlor seconded the motion, which was unanimously approved by the Board.

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B. DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR INDIVIDUAL CONSIDERATION

1. Portfolio review by Loomis Sayles

Mr. McManama, Vice President, discussed the fixed income portfolio managed by Loomis Sayles & Co. L.P. Loomis Sayles has been a fiduciary for the System since September 1998 under the category of Global Opportunistic Fixed Income (GOFI). At the end of March 2002, the account was valued at approximately \$168.3 million.

After discussion, Mr. Edge made a motion to receive and file Loomis Sayles portfolio review. Mr. McCollum seconded the motion, which was unanimously approved by the Board.

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2. Updates on international equity transition

- a. Frank Russell Securities
- b. State Street Brokerage

Mr. Tettamant, Administrator, stated that the Board of Trustees recently approved two new international equity advisors, Fidelity Management Trust Company and Clay Finlay, Inc. The authorized funding came from the withdrawal of the State Street Global Advisors EAFE Index Fund and the termination of the Deutsche Asset Management's emerging markets account. Frank Russell Securities and State Street Brokerage were used as transition managers during the month of March to fund the two new international equity managers.

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2. Updates on international equity transition (continued)

Messrs. Mitchell and Clay, from Frank Russell Securities, discussed the emerging markets transition to Clay Finlay's initial portfolio.

After discussion, Mr. Edge made a motion to receive and file the Frank Russell Securities report. Mr. Wachsman seconded the motion, which was unanimously approved by the Board.

Mr. Svendsen, of State Street Brokerage, discussed the EAFE Index transition to Fidelity Management Trust Company, Clay Finlay, and the Bank of Ireland.

After discussion, Mr. Edge made a motion to receive and file the State Street Brokerage report. Mr. Wachsman seconded the motion, which was unanimously approved by the Board.

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3. Update on overpayment to Clarke I. Maxwell

Mr. Rohan, Assistant Administrator – Operations, explained that Mr. Maxwell has reimbursed the Pension System for overpayments of his pension benefits of \$12,225.62. The overpayments resulted, in part, from erroneous payments of the age-55 benefit supplement. The correspondence received from Mr. Maxwell states that he believed his disability occurred in the line of duty. Mr. Maxwell was ineligible for the benefit supplement because he left active service under an off-duty disability. At the time his disability occurred, the Plan made no distinction between on-duty and off-duty disabilities and there was no determination that the tuberculosis had a service-connected cause. It should be noted that Mr. Maxwell has made no claim for any change to his benefit and he has, in fact, reimbursed the System for the overpayments.

After discussion, Mr. Wachsman made a motion to receive and file the report on the overpayment to Clarke I. Maxwell. Mr. Tomasovic seconded the motion, which was unanimously approved by the Board.

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4. Fiscal Year 2001-2002 Administrative and Professional Services Budgets review for the first six months of the fiscal year

Mr. Rohan provided a review of the Fiscal Year 2001-2002 Administrative and Professional Services Budgets detailing expenditures for the first six months of the fiscal year.

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4. Fiscal Year 2001-2002 Administrative and Professional Services Budgets review for the first six months of the fiscal year (continued)

Mr. Rohan stated that the budget summary on page 3 of the review shows System administrative expenditures through mid-year at 50.5 % of the total FY 2001-2002 budget. While overall expenses are within budget, itemized expenses that exceed the prorated amount for the first six months include office supplies, postage, printing, repairs and maintenance, copy machine, errors and omissions insurance, and mileage reimbursement. These overages have resulted from the timing of expenditures, and staff expects that none of these expenses will exceed the budgeted amount for the fiscal year. No mid-year adjustment to the administrative budget is necessary at this time.

The mid-year review of the professional services budget is summarized on page 5. As of mid-year, expenditures were 37% of the FY 2001-2002 budget. Overall expenses are within budget, but staff recommends mid-year adjustments for five line items, with a total increase of \$144,230. Detailed information on the proposed mid-year adjustments is attached.

After discussion, Mr. Wachsman made a motion to receive and file the six-month review of the Fiscal Year 2001-2002 Administrative and Professional Services Budgets, and approve the mid-year adjustments to the Professional Services Budget. Mr. Mays seconded the motion, which was unanimously approved by the Board.

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5. Possible revisions to Board policies and procedures:

- a. Disability Application Policy
- b. Disability Recall Policy
- c. Mileage Reimbursement Policy

Mr. Tettamant discussed the proposed policy changes as follows:

- a. Disability Pension Application Procedure: Proposed changes include:
 - 1) Clarifies the Board's role as the finder of fact.
 - 2) Clarifies general procedures in conducting a hearing in determination of a Member's disability application, including the authority to issue a subpoena for witnesses.
 - 3) Clarifies that the Member is responsible for paying any costs incurred in the application other than the cost of required medical review by the City Medical Officer and any independent physician.

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5. Possible revisions to Board policies and procedures: (continued)

- 4) Deletes staff procedures related to the disability application. Staff currently is drafting a new procedure to cover these responsibilities.
- 5) Other minor technical corrections are included in the revision.

b. Disability Pension Recall Procedure: Proposed changes include:

- 1) Clarifies the Board's role as the finder of fact.
- 2) Clarifies general procedures in conducting a recall hearing of a disability pension, including the authority to issue a subpoena for witnesses.
- 3) Provides that the Board may suspend payment to a disability pensioner if the pensioner fails to schedule, or appear for, an appointment with the City Medical Officer for an examination related to a disability recall hearing.
- 4) Deletes staff procedures related to the disability recall. Staff currently is drafting a new procedure to cover these responsibilities.
- 5) Other minor technical corrections are included in the revision.

c. Mileage Reimbursement Policy: Proposed changes would clarify excess mileage reimbursement and include other changes to clarify reimbursement situations.

After discussion, Mr. Wachsman made a motion to approve the proposed revisions to the Disability Application Policy, the Disability Recall Policy, and the Mileage Reimbursement Policy, subject to the final approval of the Administrator and the attorney. Mr. Mays seconded the motion, which was unanimously approved by the Board.

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6. Pre-funding mechanism for retiree health insurance

Mr. Tettamant stated that retiree health insurance issues have been an ongoing concern of the Board, both from the standpoint of the cost of premiums and the administration of the services. In regard to the former issue, the Administrator has discussed with the System's attorneys various pre-funding and other mechanisms that might help ease the burden of insurance premiums for System trustees. Gary Lawson and Gus Fields, of Lawson, Fields, McCue, Lee & Campbell, P.C., discussed alternatives and make possible recommendations.

After discussion, Mr. Edge made a motion to receive and file the report on pre-funding mechanisms for retiree health insurance and to consider scheduling further discussion of the issue with employee associations at a future Board meeting. Mr. Mays seconded the motion, which was unanimously approved by the Board.

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7. 2001 actuarial valuation report

Richard Mackesey, of Buck Consultants, Inc., the System's actuary, discussed the actuarial valuation report with the Board and staff.

After discussion, Mr. Wachsman made a motion to receive and file the 2001 actuarial valuation report by Buck Consultants, Inc., with the addition of the determination of the Deferred Retirement Option Plan (DROP) interest, and subject to the final approval of the Administrator and the attorney. Mr. Edge seconded the motion, which was unanimously approved by the Board.

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The meeting was recessed at 2:12 p.m.

The meeting was reconvened at 2:21 p.m.

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8. Police officer and firefighter pay lawsuits

No report was given.

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9. Update on the examination of the System's financial process and internal controls

In accordance with the terms of Section 551.071 of the Texas Government Code, the meeting was closed to the public at 2:21 p.m. for an executive legal session.

The meeting was reopened at 3:59 p.m.

After discussion, Mr. Edge made a motion not to renew the contract of CFOpros, and to require receipt of the firm's report satisfactory to the Board before further payments are made. The motion also included authorization of the expenditure of up to \$50,000 for a new examination of the System's financial process and internal controls, and authorized the Administrator to conduct a search for a vendor to perform the examination. Mr. Wachsman seconded the motion, which was unanimously approved by the Board.

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10. Pension System's monthly financial statement

Mr. Tettamant and the Board discussed the monthly financial statement for the period ended March 31, 2002.

After discussion, Mr. Edge made a motion to receive and file the Pension System's monthly financial statement for the period ended March 31, 2002. Mr. Wachsman seconded the motion, which was unanimously approved by the Board.

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11. Monthly asset allocation report

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

Mr. Tettamant discussed the monthly financial statement for May 2002 and Wilshire Associates' recommendations for rebalancing the Pension System's investment portfolio with the Board.

The Asset Allocation Monitoring Report and the Real Estate Portfolio Report are included in Minute Book Number 31 on pages _____.

Wilshire Associates Inc. recommended the transfer of \$14 million from Cash Equivalents to Oak Associates to redress the under-weighting of Domestic Equity.

After discussion, Mr. Wachsman made a motion to receive and file the May 2002 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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12. Staff and Board Members' reports on Board-approved seminars and/or conferences they attended

- 1. **Conference: Wilshire Consulting Annual Conference**
Dates: April 14-17, 2002

Mr. Blake reported on the conference.

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**DALLAS POLICE AND FIRE PENSION SYSTEM
May 2002 ASSET ALLOCATION MONITORING REPORT**

Asset Class		Target		Actual		Range		Difference vs.	
		\$	%	\$	%	Minimum	Maximum	Target	\$
EQUITY									
<u>Domestic Equity</u>									
S & P Index	SSgA	303.58	16.00	259.33	13.67	9.00	17.50		(44.25)
Large Cap Growth	Oak Assoc.	113.84	6.00	99.41	5.24	5.00	7.00		(14.43)
Micro Cap	Deutsche Asset Mgmt	94.87	5.00	99.50	5.24	4.00	6.00		4.63
Large Cap Value	Alliance Capital	113.84	6.00	118.17	6.23	5.00	7.00		4.33
Private Equity	NTOP/Huff	0.00	0.00	11.71	0.62	0.00	5.00		11.71
Energy	Mitchell Group	18.97	1.00	22.36	1.18	1.00	1.50		3.39
Total Domestic Equity		<u>645.10</u>	<u>34.00</u>	<u>610.48</u>	<u>32.18</u>				<u>(34.62)</u>
<u>International Equity</u>									
Active Large Cap	Bank of Ireland	208.71	11.00	205.70	10.84	9.50	12.50		(3.01)
Active Emerging	Deutsche Asset Mgmt	0.00	0.00	0.00	0.00	0.00	0.00		0.00
Passive EAFE Int'l Index	SSgA	0.00	0.00	0.00	0.00	0.00	0.00		0.00
Active ACWI x US	Clay Finlay	113.84	6.00	113.62	5.99	5.00	7.00		(0.22)
Active Enhanced EAFE	Fidelity	132.82	7.00	135.11	7.12	6.00	8.00		2.29
Total International Equity		<u>455.37</u>	<u>24.00</u>	<u>454.43</u>	<u>23.95</u>				<u>(0.94)</u>
Total Equity		<u>1,100.47</u>	<u>58.00</u>	<u>1064.91</u>	<u>56.13</u>				<u>(35.56)</u>
FIXED INCOME									
<u>Global High Quality</u>	Deutsche Asset Mgmt	189.74	10.00	175.20	9.23	8.50	11.50		(14.54)
<u>Domestic High Yield</u>	W.R. Huff	94.87	5.00	98.71	5.20	3.00	7.00		3.84
<u>Global Opportunistic</u>									
Global Opportunistic Funds	W.R. Huff	No Target		54.51	2.87				0.00
	Oaktree	No Target		20.00	1.05				0.00
	TCW Spl Credits	No Target		0.55	0.03				0.00
Total Global Opportunistic Funds		<u>56.92</u>	<u>3.00</u>	<u>75.06</u>	<u>3.95</u>	<u>0.00</u>	<u>4.00</u>		<u>18.14</u>
GOFI Separate Account	Loomis-Sayles	170.77	9.00	172.99	9.12	8.00	10.00		2.22
Total Global Opportunistic		<u>227.69</u>	<u>12.00</u>	<u>248.05</u>	<u>13.07</u>				<u>20.36</u>
Total Fixed Income		<u>512.30</u>	<u>27.00</u>	<u>521.96</u>	<u>27.50</u>				<u>9.66</u>
<u>REAL ESTATE</u>		<u>284.62</u>	<u>15.00</u>	<u>287.28</u>	<u>15.28</u>	<u>13.00</u>	<u>17.00</u>		<u>2.66</u>
<u>CASH EQUIVALENTS</u>		<u>0.00</u>	<u>0.00</u>	<u>23.24</u>	<u>1.08</u>	<u>0.00</u>	<u>0.00</u>		<u>23.24</u>
Total Assets		<u>1,897.39</u>	<u>100.00</u>	<u>1,897.39</u>	<u>100.00</u>				<u>(0.00)</u>

**Regular Board Meeting
Thursday, April 11, 2001**

**DALLAS POLICE AND FIRE PENSION SYSTEM
May 2002 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
Managers in Redemption					
AEW Capital Management (Copley DPA)	0	0.00%	0.00%		0
Heitman Capital Management (JMB III & IV)	1,249,126	0.43%	0.00%		1,249,126
Prudential (Strategic Value Investors. LLC)	9,130,278	3.18%	0.00%		9,130,278
Subtotal	10,379,404	3.61%	0.00%	0	10,379,404
Separate Account Managers					
Agricultural - Hancock	19,497,837	6.79%	10.00%	28,732,952	(9,235,115)
Forest Investment Associates	47,797,171	16.64%	12.50%	35,916,190	11,880,981
INVESCO Realty	8,505,571	2.96%	17.50%	50,282,666	(41,777,095)
Kennedy Associates	33,385,493	11.62%	12.50%	35,916,190	(2,530,697)
L & B Real Estate Counsel	38,931,384	13.55%	15.00%	43,099,428	(4,168,044)
RREEF	64,618,030	22.49%	17.50%	50,282,666	14,335,364
Subtotal	212,735,486	74.05%	85.00%	244,230,092	(31,494,607)
Opportunistic Partnerships					
Hearthstone (MSII Homebuilding)	2,139,912	0.74%		10,000,000	(7,860,088)
Crow Holdings Realty Partners II	7,845,762	2.73%		20,000,000	(12,154,238)
Oaktree Capital Management (OCM R E Opportunities Fund B)	15,182,180	5.28%		15,000,000	182,180
Hudson Advisors (Brazos, Lone Star I, II, III,IV)	23,649,453	8.23%		40,789,730	(17,140,277)
Olympus Real Estate Fund II & III	15,343,635	5.34%		30,000,000	(14,656,365)
Subtotal	64,160,942	22.33%	15.00%	115,789,730	(51,628,788)
Total Real Estate	287,275,832	100.00%	100.00%	360,019,823	(72,743,991)

Market value total fund

1,897,391,262

	\$	%		
Target Value (\$ and %)	287,329,520	15.00%	Total Committed Capital	370,399,226
Market Value (\$ and %)	287,275,832	15.14%	Managers in Redemption	10,379,404
Variance from Target	(53,688)	0.14%	Actual Committed Capital	360,019,823

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12. Staff and Board Members' reports on Board-approved seminars and/or conferences they attended (continued)

**2. Conference: Merit Energy Company: 2002
Partnership Meeting**

Dates: April 15-17, 2002

Messrs. Umlor, Brown, McCollum, and Mays reported on the conference.

3. Conference: NCPERS 61st Annual Conference

Dates: April 28 - May 2, 2002

Messrs. Edge, Mays, Wachsman, Tettamant, Rohan, and Davenport reported on the annual conference.

After discussion, Mr. Edge made a motion to receive and file the reports on the Board-approved educational conference attended by Board and staff members. Mr. McCollum seconded the motion, which was unanimously approved by the Board.

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C. BRIEFING ITEMS

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

No members or pensioners were present to address the Board.

2. Administrator's report

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

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

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2. Administrator's report (continued)

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

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3. Board operations and procedures

No discussion was held regarding Board operations and procedures.

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The Administrator stated that there was no further business to come before the Board. On a motion by Mr. Wachsman and a second by Mr. Tomasovic, the meeting was adjourned at 4:15 p.m.

Gerald Brown
Chairman

ATTEST:

Richard L. Tettamant
Secretary

CITY OF DALLAS - POLICE & FIRE PENSION SYSTEM

ASSET DISTRIBUTION BY ADVISOR - AS OF March 31, 2002

	NET ASSET VALUE	FUND % OF ASSETS	ADVISOR % OF CLASS
EQUITY- DOMESTIC ADVISORS:			

ALLIANCE CAPITAL MANAGEMENT	119,659,644.98	6.5 %	18.6 %
DEUTSCHE ASSET MGMT MICRO-CAP	98,507,836.07	5.2 %	15.3 %
HUFF ALTERNATIVE FUND LP	3,554,168.23	0.2 %	0.6 %
NORTH TEXAS OPPORTUNITY	5,982,887.82	0.3 %	0.9 %
OAK ASSOCIATES	115,861,048.84	6.1 %	18.0 %
SSGA S&P 500 FLAGSHIP	276,051,552.87	14.6 %	43.0 %
THE MITCHELL GROUP	22,489,970.41	1.2 %	3.6 %
*** TOTAL EQUITY- DOMESTIC ADVISORS:	642,107,109.22	34.1 %	100.0 %
FIXED INCOME ADVISORS:			

HUFF ALTERNATIVE INCOME FUND	28,971,859.00	1.5 %	20.1 %
OCM FUND IV	16,633,156.00	0.9 %	11.6 %
TCW SPECIAL CREDITS TR III	553,264.00	0.0 %	0.4 %
W.R. HUFF HIGH YIELD	97,805,481.23	5.2 %	67.9 %
*** TOTAL FIXED INCOME ADVISORS: ***	143,963,760.23	7.6 %	100.0 %
INTERNATIONAL FIXED INCOME ADVISORS:			

DEUTSCHE ASSET MGMT GLOBAL FIX. INC	169,781,765.92	9.0 %	49.9 %
LOOMIS SAYLES & CO	170,290,264.23	9.0 %	50.1 %
*** TOTAL INTERNATIONAL FIXED INCOME	340,072,030.15	18.0 %	100.0 %
REAL ESTATE ADVISORS:			

CROW HOLDINGS	8,253,113.68	0.4 %	2.8 %
FOREST INVESTMENT ASSOCIATES	47,842,024.13	2.5 %	16.2 %
HANCOCK AGRICULTURAL INVEST FD	18,700,767.00	1.0 %	6.3 %
HEARTHSTONE MSH HOMEBUILDING	1,605,275.69	0.1 %	0.5 %
HEITMAN CAPITAL MANAGEMENT	1,371,979.65	0.1 %	0.5 %
HUDSON ADVISORS	22,257,572.94	1.2 %	7.5 %
INVESCO	16,219,989.00	0.9 %	5.5 %
KENNEDY ASSOCIATES	30,987,493.51	1.6 %	10.5 %
L & B	42,877,498.00	2.3 %	14.5 %
OCM REAL ESTATE/OPPORTUNITIES FUND	15,137,132.00	0.8 %	5.1 %
OLYMPUS REAL ESTATE	17,195,170.13	0.9 %	5.8 %
PRUDENTIAL INVESTMENTS	8,980,144.00	0.5 %	3.0 %
RREEF	63,429,383.32	3.4 %	21.8 %
*** TOTAL REAL ESTATE ADVISORS: ***	294,857,543.05	15.7 %	100.0 %
EQUITY- INTERNATIONAL ADVISORS:			

BANK OF IRELAND	201,405,706.38	10.7 %	44.3 %
CLAY FINLEY INC	104,136,758.31	5.5 %	22.9 %
FIDELITY ENHANCED EAFE	129,253,039.01	6.9 %	28.4 %
TRANSITION/STATE STREET	9,614,389.22	0.5 %	2.1 %
TRANSITION/FRANK RUSSELL	10,124,709.90	0.5 %	2.2 %
*** TOTAL EQUITY- INTERNATIONAL ADVIS	454,534,602.82	24.1 %	100.0 %
CASH:			

COMMINGLED CASH	1,332,265.46	0.1 %	14.0 %
CONTRIBUTION & EXPENSE ACCOUNT	8,164,717.62	0.4 %	86.0 %
*** TOTAL CASH: ***	9,496,983.08	0.5 %	100.0 %
TOTAL MASTER TRUST	1,885,761,016.32	100.0 %	

CITY OF DALLAS - POLICE & FIRE PENSION SYSTEM

ASSET DISTRIBUTION BY ADVISOR - AS OF March 31, 2002

	FUND	ADVISOR
	NET ASSET VALUE % OF ASSETS	% OF CLASS
CITY CONTRIBUTIONS	8,464,202.93	
EMPLOYEE CONTRIBUTIONS	1,817,298.26	
BENEFIT DISTRIBUTIONS	-7,086,968.12	
EXPENSES	-463,656.67	