

**Dallas Police and Fire Pension System  
Thursday, December 11, 2003  
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, Gary W. Edge, Deputy Mayor Pro Tem Donald Hill, John M. Mays, Rector C. McCollum, Steven G. Shaw, George Tomasovic, Steven H. Umlor, and Richard H. Wachsman

Absent: Councilmember Maxine Thornton-Reese

**Staff**

Richard Tettamant, Brian Blake, Don Rohan, Everard Davenport, Pat McGennis, Jay Jackson, John Holt, Jerry Chandler, and Linda Rickley

**Others**

Brian Barriger, Bruce Isaacson, Maurice Rosga, Scott Dennis, David Ridley, Blaine Smith, Robert Miller, State Senator John Whitmire, Gary Lawson, Gus Fields, and Eric Calhoun

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The meeting was called to order and recessed at 8:32 a.m.

The meeting was reconvened at 9:43 a.m.

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**A. CONSENT AGENDA**

**1. Approval of Minutes**

Annual Board/Staff workshop of October 13-16, 2003  
Regular meeting of November 13, 2003  
Special meeting of November 24, 2004  
Emergency meeting of November 26, 2004

**2. Approval of the Monthly Trustee Summary for the Month of October 2003**

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**3. Approval of Refunds of Contributions for the Month of November 2003**

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

<u>EMPLOYEE NAME</u>	<u>DEPT.</u>	<u>REFUND DATE</u>
Na'Tasha R. Harris	P	Nov. 14, 2003

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

None

**4. Approval of Activity in the Deferred Retirement Option Plan (DROP) for December 2003**

**New DROP Participants**

EMPLOYEE NAME	DEPT.
Frank W. Lindsey	Fire
Robert L. Maturey	Fire
Donald W. Casey	Police
Gary A. Colecchi	Police
David W. Franklin	Police
William D. Fries	Police
James R. Miltimore	Police

**Retiree New DROP Enrollees**

NAME	DEPT.	STATUS CODE
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None

**DROP Status Changes**

NAME	DEPT.	STATUS CODE
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Volly J. Ivy	Fire	2
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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

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**5. Approval of Activity in the Deferred Retirement Option Plan (DROP) for December 2003 (continued)**

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

MEMBER	DEPT.
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None

**5. Approval of Payment of Military Leave Contribution**

Brian K. Payne, Police Officer

**6. Approval of Earnings Test**

Bryan C. Young, Police Officer

**7. Approval of Estate Settlements**

Deceased (Member (M) or Survivor (S))	Dept.	Date Of Death	Estate Payment	Group
Dovie G. Winters (S)	Fire	Aug. 14, 2003	Ann Cagle	A - Sec. 6.07
Margaret R. Hill (M)	Police	Aug. 4, 2003	Stephen A. Bux	A - Sec. 6.01

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

Deceased Retiree	Dept.	Date Of Death	Qualified Survivor	Estate Payment	Group
Robert Jakubik	Fire	Nov. 17, 2003	Sheila Jakubik	Yes	B - Sec. 6.02
James R. Helm	Police	Oct. 19, 2003	Patricia A. Helm	Yes	A - Sec. 6.01
Bobby G. Patterson	Police	Nov. 6, 2003	June R. Patterson	Yes	A - Sec. 6.01
Murvin M. Sterling	Police	Oct. 10, 2003	Wanda Sterling	Yes	B - Sec. 6.02

**9. Approval of Service Retirements**

Member	Dept.	Effective	Group	* DROP Participant	100% J & S
Reginald Diggs	Fire	Dec. 3, 2003	B - Sec. 6.02(b)	No/VII	Yes
Robert Jakubik	Fire	Nov. 14, 2003	B - Sec 6.02(b)	Yes/VI	Yes
Alvino G. Adame	Police	Dec. 2, 2003	B - Sec. 6.02(b)	Yes/V	No
Ronald W. Melton	Police	Nov. 19, 2003	B - Sec. 6.02(b)	Yes/VIII	No
Warren W. Wilson	Police	Nov. 25, 2003	B - Sec. 6.02(b)	No	No

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**9. Approval of Service Retirements (continued)**

* 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

**10. Spouse Wed After Retirement (SWAR)**

Employee Name	Dept.
Carl M. West	Police

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. Tomasovic 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. INVESCO Realty Advisors**

- a. Possible real estate investment in Maryland
- b. Update on New York City apartment investment

Messrs/ Dennis, Smith, and Ridley, from INVESCO Realty Advisors, stated that INVESCO had decided not to continue consideration of a potential real estate investment in Maryland that INVESCO had originally planned to discuss with the Board today.

The INVESCO representatives gave an update to the Board on the New York City apartment investment.

After discussion, Mr. Shaw made a motion to receive and file the INVESCO report. Mr. Edge seconded the motion, which was unanimously approved by the Board.

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**2. Locke Liddell & Sapp, LLP**

- a. Interim charges for the Pension & Investment Committee
- b. 2004-2005 contract proposal

Mr. Miller and Sen. Whitmire of Locke Liddell & Sapp, LLP, discussed the 2003 legislative session and the interim charges given to the Pension and Investment Committee.

The Board considered Locke Liddell's proposed contract extension. Mr. Tettamant stated that the current contract was amended to add state consulting to the original national consulting. The proposed contract will have both state and national coverage.

During the 2003 legislative session, the System paid \$4,000 for state consulting. The national charges were \$6,000 per month. The proposed contract charge will be \$8,000 per month, including both state and national.

After discussion, Mr. Umlor made a motion to receive and file the legislative report by Locke Liddell & Sapp, LLP, and approve the 2004-2005 contract proposal, subject to the final approval of the Administrator and legal counsel. Mr. Edge seconded the motion, which was unanimously approved by the Board.

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The meeting was recessed at 10:25 a.m.

The meeting was reconvened at 1:09 p.m.

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**3. Review plan changes to Pension System employees' 401(a) and 457 plans**

Mr. Tettamant, Administrator, and Mr. Fields, of Lawson, Fields, McCue & Campbell, P.C., reviewed with the Board relevant documents for the 401(a) and 457 plans pertaining to the employees of the System.

Four types of amendments proposed for the 401(a) Plan were:

- 1. Changes required to comply with Federal Law.
- 2. Inclusion of additional references to a third party administrator;
- 3. Non-substantive editorial changes; and
- 4. New Section 3.1(b) which provides that System contributions for part-time and temporary employees will be 8% of pay, rather than the amount equal to ERF contributions which is still provided for full-time permanent employees.

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**3. Review plan changes to Pension System employees' 401(a) and 457 plans  
(continued)**

For the 457 Plan, the only substantive changes that were proposed were to comply with the new requirements of Federal law.

After discussion, Mr. Wachsman made a motion to approve the proposed revisions to the System's 401(a) and 457 Plans, subject to the final approval of the Administrator and legal counsel; and authorize the Administrator and Chairman to sign all necessary documents. Mr. Shaw seconded the motion, which was unanimously approved by the Board.

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**4. Legal issues including, but not limited to:**

Police Officer and Firefighter pay lawsuits

Mr. Calhoun, of Lawson, Fields, McCue & Campbell, briefed the Board on the status of the pay lawsuits.

No motion was made.

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**5. Adjustments for retirees and survivors of the Combined Pension Plan, Section 6.01(b) and 6.04(b) – Group A (formerly Old Plan) to be effective December 1, 2003**

Mr. Tettamant explained that active police officers and firefighters received a 5% pay increase effective December 1, 2003. Therefore, Section 6.01(e) and 6.04(b) - Group A (formerly Old Plan) pensioners and survivors will receive an increase based on 50% of the new maximum pay of a 15-year police officer or firefighter, plus 50% of their service pay.

After discussion, Mr. McCollum made a motion to approve the adjustment to Group A (formerly Old Plan) pension benefits. Mr. Wachsman seconded the motion, which was unanimously approved by the Board.

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

**Disability recall**

Kelly D. Shoulders, retired Police Officer

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

Ms. Shoulders was not present; therefore, the Board did not go into closed session. The Board members individually reviewed the medical information and physicians' reports regarding the disability recall of Ms. Shoulders.

After discussion, Mr. Wachsman made a motion to grant continuance of **Kelly D. Shoulders'** on-duty, Combined Pension Plan - Group B disability retirement, subject to the System's right under the Board approved disability recall procedure to require Ms. Shoulders to undergo future medical examinations(s) to determine if the disability still exists or if recovery has been made to the point that Ms. Shoulders is able to return to duty, or two years, whichever is sooner. Mr. Mays seconded the motion, which was unanimously approved by the Board.

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**7. Reinstatement of survivor benefits for Ashley Joe, disabled child of James Joe, deceased Police Officer**

Mr. Tettamant stated that Section 6.06 (n) of the Plan Document provides that a Child who is a Qualified Survivor is no longer eligible to receive survivor benefits after reaching the age of 19. Eligibility for benefits may continue beyond age 19 if the Child is handicapped, as determined by the Board pursuant to Section 6.06 (p).

James Joe, Police Officer, deceased on January 14, 1988. At its February 11, 1988, meeting, the Board approved survivor benefits for Officer Joe's spouse and children.

Ashley Joe, one of the surviving children, was born March 28, 1984. The System terminated her survivor benefit when she attained age 19 on March 28, 2003. At the request of the guardian and in accordance with Section 6.06(p), Ashley Joe was referred for medical examination to determine whether a handicap exists. Relevant medical reports, and a summary of the reports, indicating that she is handicapped, were presented to the Board.

After discussion, Mr. McCollum made a motion to reinstate the survivor benefit of Ashley Joe retroactive to March 29, 2003, the age 19 cut-off date, under the handicapped Child provision of Section 6.06 (p) of the Plan Document. Mr. Umlor seconded the motion, which was unanimously approved by the Board.

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**8. 2002 annual reports**

Mr. Tettamant said that he has spoken with a Senior Partner and the Project Manager of the independent auditor about the delay in completion of the annual audit for calendar year 2002. The representatives of the firm have apologized for the delay and have promised every endeavor to complete the audit as soon as possible.

Because of the independent auditor's delay in completing the audit, the System has not been able to finalize the annual report. Due to the late date, Staff recommends that the System forego normal publishing of the annual report. Instead, after receipt and approval of the 2002 audit, staff would post the completed report to the System's website with only a limited printing for archiving and distribution to required parties, such as the Pension Review Board.

The System also would not print and distribute the three Condensed Annual Reports – for Active Members, Pensioners and Supplemental Fund participants. However, the System has printed excerpts of actuarial and membership information from the draft annual report in the last two issues of the newsletters. Additional information will be provided in subsequent issues of the System newsletters.

This action will save approximately \$20,000 from budgeted expenses.

After discussion, Mr. Shaw made a motion to approve the limited printing and distribution of the 2002 Annual Report only as necessary and posting to the System's website. Mr. Tomasovic seconded the motion, which was unanimously approved by the Board.

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

The Board and staff discussed the monthly financial statement for the period ended September 30, 2003 with the Board.

After discussion, Mr. Wachsman made a motion to receive and file the monthly financial statement for the period ended September 30, 2003. 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 33 on pages \_\_\_\_\_.

Wilshire Associates Inc. stated that all of the asset class allocations are within their respective target ranges; therefore, no rebalancing is necessary. Wilshire recommends that the \$11 million in additional cash needs be withdrawn from the SSgA S&P 500 Index fund and the RREEF REITs fund. \$7 million should be withdrawn from the SSgA account, with the remaining \$4 million coming from the RREEF account.

After discussion, Mr. Shaw made a motion to receive and file the December 2003 monthly asset allocation report and approve the Wilshire Associates' recommendations. Mr. Tomasovic seconded the motion, which was unanimously approved by the Board.

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**11. Staff and Board Members' reports on due diligence meetings, seminars and/or conferences attended**

- a. **Conference: Russell's 2003 Implementation Services Seminar**  
**Dates:** November 19, 2003

Messrs. Brown, Tettamant, and Blake reported on the seminar.

- b. **Meeting: Locke Liddell & Sapp Meeting**  
**Dates:** December 2-3, 2003

Messrs. Brown and Tettamant reported on the meeting.

- c. **Conference: 9<sup>th</sup> National Pension Summit Symposium & The National Society of Pension Professionals Annual Members' Mtg.**  
**Dates:** December 4-5, 2003

Messrs. Brown, Tomasovic, Edge, Umlor, Tettamant, Blake, Rohan, and Davenport reported on the symposium and meeting.

- d. **Conference: Public Funds Boards Forum**  
**Dates:** December 6-10, 2003

Messrs. Brown, Umlor, and Tettamant reported on the forum.

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**DALLAS POLICE AND FIRE PENSION SYSTEM  
DECEMBER 2003 ASSET ALLOCATION MONITORING REPORT**

Asset Class		Target		Actual		Range		Difference vs.	
		\$	%	\$	%	Minimum	Maximum	Target	\$
<b><u>Domestic Equity</u></b>									
S & P Index	SSgA	330.89	16.00	315.09	15.24	9.00	17.50		(15.80)
Large Cap Growth	Oak Assoc.	124.08	6.00	125.17	6.05	5.00	7.00		1.09
Micro Cap	Deutsche Asset Mgmt	103.40	5.00	100.96	4.88	4.00	6.00		(2.44)
Large Cap Value	Alliance Capital	124.08	6.00	116.98	5.66	5.00	7.00		(7.10)
Private Equity	NTOP/Huff Alternative	0.00	0.00	31.84	1.54	0.00	5.00		31.84
Energy	Mitchell Group	20.68	1.00	20.59	1.00	0.50	1.50		(0.09)
<b>Total Domestic Equity</b>		<u>703.13</u>	<u>34.00</u>	<u>710.63</u>	<u>34.38</u>				<u>7.50</u>
<b><u>International Equity</u></b>									
Active Large Cap	Bank of Ireland	227.49	11.00	228.83	11.06	9.50	12.50		1.34
Active ACWI x US	Clay Finlay	124.08	6.00	124.15	6.00	5.00	7.00		0.07
Active Enhanced EAFE	Fidelity	144.77	7.00	144.71	7.00	6.00	8.00		(0.06)
<b>Total International Equity</b>		<u>496.34</u>	<u>24.00</u>	<u>497.69</u>	<u>24.06</u>				<u>1.35</u>
<b>Total Equity</b>		<u>1,199.47</u>	<u>58.00</u>	<u>1208.32</u>	<u>58.44</u>				<u>8.85</u>
<b>FIXED INCOME</b>									
<b><u>Global High Quality</u></b>									
	Delaware Int. Advisors	103.40	5.00	97.06	4.69	4.00	6.00		(6.34)
	Pareto Partners	103.40	5.00	97.64	4.72	4.00	6.00		(5.76)
<b><u>Domestic High Yield</u></b>									
	W.R. Huff	103.40	5.00	101.69	4.92	3.00	7.00		(1.71)
<b><u>Global Opportunistic</u></b>									
Global Opportunistic Funds	Huff Alternative Income	No Target		7.14	0.35				0.00
	Oaktree	No Target		43.13	2.09				0.00
	TCW Spl Credits	No Target		0.33	0.02				0.00
	Highland Crusader Fund	No Target		22.18	1.07				0.00
<b>Total Global Opportunistic</b>		62.04	3.00	72.78	3.51	0.00	4.00		10.74
GOFI Separate Account	Loomis-Sayles	186.13	9.00	182.20	8.81	8.00	10.00		(3.93)
<b>Total Global Opportunistic</b>		<u>248.17</u>	<u>12.00</u>	<u>254.98</u>	<u>12.32</u>				<u>6.81</u>
<b>Total Fixed Income</b>		<u>558.37</u>	<u>27.00</u>	<u>551.37</u>	<u>26.65</u>				<u>(7.00)</u>
<b>REAL ESTATE</b>		310.24	15.00	295.86	14.31	13.00	17.00		(14.38)
<b>CASH EQUIVALENTS</b>		0.00	0.00	12.53	0.61	0.00	0.00		12.53
<b>Total Assets</b>		<u>2,068.08</u>	<u>100.00</u>	<u>2,068.08</u>	<u>100.00</u>				<u>(0.00)</u>

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**DALLAS POLICE AND FIRE PENSION SYSTEM  
DECEMBER 2003 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>					
Heitman Capital Management (JMB III & IV)	28,367	0.01%	0.00%		28,367
Prudential (Strategic Value Investors. LLC)	6,676,348	2.26%	0.00%		6,676,348
<b>Subtotal</b>	<b>6,704,715</b>	<b>2.27%</b>	<b>0.00%</b>	<b>0</b>	<b>6,704,715</b>
<b>Separate Account Managers</b>					
Agricultural - Hancock	24,878,287	8.41%	10.00%	31,021,351	(6,143,064)
Forest Investment Associates	41,021,166	13.86%	12.50%	38,776,689	2,244,477
INVESCO Realty	15,350,083	5.19%	17.50%	54,287,364	(38,937,281)
Kennedy Associates	26,149,224	8.84%	12.50%	38,776,689	(12,627,465)
L & B Real Estate Counsel	23,299,247	7.88%	15.00%	46,532,026	(23,232,779)
RREEF	38,360,290	12.97%	17.50%	54,287,364	(15,927,074)
CDK Realty Advisors	30,299,236	10.24%	NA	NA	
<b>Subtotal</b>	<b>199,357,533</b>	<b>67.38%</b>	<b>85.00%</b>	<b>263,681,482</b>	<b>(94,623,185)</b>
<b>Opportunistic Partnerships</b>					
Hearthstone (MSII, MSIII Homebuilding)	2,390,602	0.81%		10,000,000	(7,609,398)
Crow Holdings Realty Partners II	18,160,849	6.14%		20,000,000	(1,839,151)
Oaktree Capital Management (OCM R E Opportunities Fund B)	14,033,637	4.74%		15,000,000	(966,363)
Hudson Advisors (Brazos, Lone Star I, II, III,IV)	33,235,553	11.23%		35,019,628	(1,784,075)
Olympus Real Estate Fund II & III	21,978,564	7.43%		30,000,000	(8,021,436)
<b>Subtotal</b>	<b>89,799,205</b>	<b>30.35%</b>	<b>15.00%</b>	<b>110,019,628</b>	<b>(20,220,423)</b>
<b>Total Real Estate</b>	<b>295,861,453</b>	<b>100.00%</b>	<b>100.00%</b>	<b>373,701,110</b>	<b>(108,138,893)</b>

Market value total fund

**2,068,090,058**

\$ %

Target Value (\$ and %)

**310,213,509 15.00%**

Market Value (\$ and %)

**295,861,453 14.31%**

Variance from Target

**(14,352,056) -0.69%**

Total Committed Capital

**380,405,825**

Managers in Redemption

**6,704,715**

Actual Committed Capital

**373,701,110**

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**11. Staff and Board Members' reports on due diligence meetings, seminars and/or conferences attended (continued)**

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

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The meeting was recessed at 2:07 p.m.

The meeting was reconvened at 3:09 p.m.

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**12. 2004 Personalized Benefit Statement for Members of the Dallas Police and Fire Pension System**

Mr. Tettamant and Mr. Rohan, Assistant Administrator for Operations, presented for discussion a proposed draft of the individualized annual benefit statements for members of the Dallas Police and Fire Pension System. The statement for each member includes a cover message from the Chairman and the Administrator, the Member's benefit estimate with a summary of the Member's total contributions to the Plan, and an explanation of terms. The draft also includes an insert sheet as a guide to help Members understand the layout of the estimated Benefit Calculation page. Staff may make minor content and design changes before printing and distribution. Mailing of benefit statements to each member's home address of record is scheduled for late February 2004.

After discussion, Mr. Wachsman made a motion to approve the Administrative Advisory Committee's recommendation for Board approval of the proposed 2004 Personalized Benefit Statement, subject to final review by the Administrator and legal counsel. Mr. Shaw seconded the motion, which was unanimously approved by the Board.

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**13. 2004 Personalized Deferred Retirement Option Plan (DROP) Statement for Members of the Dallas Police and Fire Pension System**

Mr. Tettamant and Mr. Rohan presented for discussion a proposed draft of the individualized Annual DROP Statement for members of the Dallas Police & Fire Pension System who have joined DROP. Mailing of the DROP statements to each participant's home address of record is scheduled for the last week of February 2004. Staff may make minor content and design changes before printing and distribution.

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**13. 2004 Personalized Deferred Retirement Option Plan (DROP) Statement for Members of the Dallas Police and Fire Pension System (continued)**

After discussion, Mr. Wachsman made a motion to approve the Administrative Advisory Committee's recommendation for Board approval of the proposed 2004 Personalized Deferred Retirement Option Plan (DROP) Statement, subject to final review by the Administrator and legal counsel. Mr. Shaw seconded the motion, which was unanimously approved by the Board.

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**14. 2002-2003 Fiscal Year-End Close Review of the Administrative and Professional Services Budgets for the year ended September 30, 2003**

Mr. Tettamant reviewed the final Administrative and Professional Services Budgets for Fiscal Year 2002-2003 with the Board. Administrative expenses, including fixed asset expenses and revenue from the Supplemental Fund, totaled \$2,024,439 for the twelve-month period ending September 30, 2003, or 82.4% of the budget amount.

With the exception of Errors and Omissions Insurance, all line items in the Administrative Budget were under budget, most by significant margins. The expenditure levels reflected management's recognition of market and financial conditions over the prior three years, resulting in the foregoing of some expenses, such as the purchase of about \$50,000 in computer hardware.

Staff provided a detailed analysis of actual Fund expenses with an explanation for those items where the expense exceeded the budgeted amount.

After discussion, Mr. Wachsman made a motion to approve the Administrative Advisory Committee's recommendation that the Board receive and file the Administrative and Professional Services Budget and expenses for the Fiscal Year 2002-2003. Mr. Shaw seconded the motion, which was unanimously approved by the Board.

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**15. Administrator's 2004 Strategic Plan**

Mr. Tettamant stated that at the October workshop, the Board referred the 2004 Work Plan for the review and recommendation of the Administrative Advisory Committee (AAC), which was discussed with the AAC earlier today.

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**15. Administrator's 2004 Strategic Plan (continued)**

After discussion, Mr. Wachsman made a motion to approve the Administrative Advisory Committee's recommendation for approval of the Administrator's 2004 Strategic Plan. Mr. Shaw seconded the motion, which was unanimously approved by the Board.

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**16. Performance review of the Administrator**

After discussion, Mr. Wachsman made a motion to approve the Committee's recommendation regarding the performance review of the Administrator. Mr. Shaw 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 active members or pensioners were present to address the Board.

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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. 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. General administration update
- f. Continuing education/investment research

The Administrator presented the monthly report on performance returns by JPMorgan Chase & Company, the System's custodial bank.

Mr. Tettamant briefed 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)**

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

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**3. Board operations and procedures**

No action was taken.

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The Administrator stated that there was no further business to come before the Board. On a motion by Mr. Shaw and a second by Mr. Mays, the meeting was adjourned at 3:57 p.m.

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Gerald Brown  
Chairman

ATTEST:

\_\_\_\_\_  
Richard L. Tettamant  
Secretary

CITY OF DALLAS - POLICE & FIRE PENSION SYSTEM

ASSET DISTRIBUTION BY ADVISOR - AS OF October 31, 2003

	NET ASSET VALUE	FUND % OF ASSETS	ADVISOR % OF CLASS
<b>EQUITY-DOMESTIC ADVISORS:</b>			
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ALLIANCE CAPITAL MANAGEMENT	115,097,500.86	5.7 %	16.3 %
DEUTSCHE ASSET MGMT MCRO-CAP	98,498,170.93	4.8 %	13.9 %
HUFF ALTERNATIVE FUND LP	27,922,876.44	1.4 %	4.0 %
NORTH TEXAS OPPORTUNITY	3,920,729.24	0.2 %	0.6 %
OAK ASSOCIATES	128,838,814.19	6.3 %	18.2 %
SSGA S&P 500 FLAGSHIP	312,339,677.59	15.4 %	44.2 %
THE MITCHELL GROUP	19,992,773.23	1.0 %	2.8 %
*** TOTAL EQUITY-DOMESTIC ADVISORS:	706,610,542.48	34.8 %	100.0 %
<b>FIXED INCOME ADVISORS:</b>			
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HIGHLAND CRUSADER FUND LP	20,000,000.00	1.0 %	11.8 %
HUFF ALTERNATIVE INCOME FUND	7,138,618.11	0.4 %	4.2 %
OCM FUND IV	43,125,415.00	2.1 %	25.4 %
TCW SPECIAL CREDITS TR III	330,394.34	0.0 %	0.2 %
W. R. HUFF HIGH YIELD	99,057,364.24	4.9 %	58.4 %
*** TOTAL FIXED INCOME ADVISORS: ***	169,651,791.69	8.4 %	100.0 %
<b>INTERNATIONAL FIXED INCOME ADVISORS:</b>			
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DELAWARE INTERNATIONAL ADVISORS	84,800,470.29	4.2 %	24.4 %
DEUTSCHE ASSET MGMT GLOBAL FIX. INC	2,181,867.80	0.1 %	0.6 %
LOOMIS SAYLES & CO	176,970,340.01	8.7 %	50.8 %
PARETO PARTNERS	84,158,084.76	4.1 %	24.2 %
*** TOTAL INTERNATIONAL FIXED INCOME	348,110,762.86	17.1 %	100.0 %
<b>REAL ESTATE ADVISORS:</b>			
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CDK REALTY ADVISORS	34,824,130.66	1.7 %	11.6 %
CROW HOLDINGS	17,957,806.60	0.9 %	6.0 %
FOREST INVESTMENT ASSOCIATES	41,136,011.80	2.0 %	13.7 %
HANCOCK AGRICULTURAL INVEST FD	24,778,293.57	1.2 %	8.3 %
HEARTHSTONE MS II	1,357,660.16	0.1 %	0.5 %
HEARTHSTONE MS III	1,249,627.14	0.1 %	0.4 %
HEITMAN CAPITAL MANAGEMENT	28,995.87	0.0 %	0.0 %
HUDSON ADVISORS	33,429,229.52	1.6 %	11.2 %
INVESCO	15,145,895.00	0.7 %	5.1 %
KENNEDY ASSOCIATES	27,293,058.90	1.3 %	9.1 %
L & B	24,384,527.57	1.2 %	8.1 %
OCM REAL ESTATE/OPPORTUNITIES FUND	14,073,131.00	0.7 %	4.7 %
OLYMPUS REAL ESTATE	20,650,560.89	1.0 %	6.9 %
PRUDENTIAL INVESTMENTS	6,676,342.42	0.3 %	2.2 %
RREEF	36,561,714.14	1.8 %	12.2 %
*** TOTAL REAL ESTATE ADVISORS: ***	299,546,985.24	14.7 %	100.0 %
<b>EQUITY-INTERNATIONAL ADVISORS:</b>			
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BANK OF IRELAND	221,181,359.85	10.9 %	44.4 %
CLAY FINLAY INC	129,126,702.26	6.4 %	25.9 %
FIDELITY ENHANCED EAFE	147,812,465.33	7.3 %	29.7 %
*** TOTAL EQUITY-INTERNATIONAL ADVIS	498,120,527.44	24.5 %	100.0 %
<b>CASH:</b>			
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COMMINGLED CASH	1,358.81	0.0 %	0.0 %
CONTRIBUTION & EXPENSE ACCOUNT	9,665,582.06	0.5 %	100.0 %
*** TOTAL CASH: ***	9,666,940.87	0.5 %	100.0 %



CITY OF DALLAS - POLICE & FIRE PENSION SYSTEM

ASSET DISTRIBUTION BY ADVISOR - AS OF October 31, 2003

	NET ASSET VALUE	FUND % OF ASSETS	ADVISOR % OF CLASS
TOTAL MASTER TRUST	2,031,707,550.58	100.0 %	100.0 %
CITY CONTRIBUTIONS	6,150,400.58		
EMPLOYEE CONTRIBUTIONS	1,241,427.57		
BENEFIT DISTRIBUTIONS	-8,054,235.40		
EXPENSES	-1,500,103.85		