

MINUTE SUMMARY
Board Meeting
Thursday, November 10, 2005

The regular meeting of the Dallas Police and Fire Pension System Board of Trustees was held at **8:30 a.m. on Thursday, November 10, 2005 in the First Floor Conference Room at 2301 North Akard Street, Dallas, Texas.** Items of the following agenda were presented to the Board:

The meeting began at 8:30 a.m.

A. CONSENT AGENDA - Approved, subject to the final review and approval of the staff.

B. DISCUSSION AND APPROVAL OF ITEMS FOR INDIVIDUAL CONSIDERATION

- Item 1.** Heard the portfolio review given by CDK Realty Advisors. Approved new real estate investment proposals through CDK Realty Advisors, subject to the final review and approval of the Administrator and legal counsel.
- Item 2.** Received and filed the portfolio review given by Kennedy Associates Real Estate Counsel, Inc. Approved a new real estate investment proposal through Kennedy Associates, subject to the final review and approval of the Administrator and legal counsel.
- Item 3.** Approved the second and final reading of the 2006 Administrative and Professional Services Budgets.
- Item 4a.** Granted Thomas W. Jump, Police Officer, an on-duty, Combined Pension Plan, Group B disability benefit, subject to the System's right under the Board-approved disability procedure to require Mr. Jump to undergo future medical examinations to determine if the disability still exists or if recovery has been made to the point that Mr. Jump is able to return to duty, or 6 months, whichever is sooner. Mr. Jump is subject to the Annual Earnings Test Review as he was hired and suffered a disability after May 1, 1990.
- Item 4b.** Granted continuance of Alan J. Adamcik's on-duty, Combined Pension Plan, Group B disability benefit, without further recall.

- Item 5.** Heard a report by the outside legal counsel on current legal issues. Discussed the System's legal representation in the police officer and firefighter pay lawsuits. No motion was made.
- Item 6.** Approved the contract with Hillco Partners for legislative consulting for the period from January 1, 2006 through December 31, 2007, subject to the final review and approval of the Administrator and legal counsel.
- Item 7.** Approved a proposed revision to the Board's Drop Policy. Also approved two new policies – the Pension Payroll Deduction Policy and the Private Equity Investment Policy and Guidelines.
- Item 8.** Received and filed the monthly financial statement for the period ending June 30, 2005.
- Item 9.** Received and filed the November 2005 monthly asset allocation report and approved Wilshire Associates' recommendations for rebalancing the portfolio.
- Item 10.** Received and filed the staff and Board members' reports on due diligence meetings, seminars and/or conferences attended.

C. BRIEFING ITEMS

- Item 1.** No members or pensioners were present to discuss concerns.
- Item 2.** Received and filed the Administrator's report.
- Item 3.** Received a demonstration by staff of a new method of providing Board meeting material to the Trustees.

The meeting was adjourned at 2:18 p.m.

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Dallas Police and Fire Pension System
Thursday, November 10, 2005
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, John M. Mays, Rector C. McCollum, Steven G. Shaw, George Tomasovic, Steven H. Umlor, and Richard H. Wachsman

Absent: Deputy Mayor Pro Tem Donald Hill and Councilmember Maxine Thornton-Reese

Staff Richard Tettamant, Brian Blake, Don Rohan, Everard Davenport, Mike Taylor, Pat McGennis, Jay Jackson, John Holt, Jerry Chandler, Zahide Torresdey, Kathy Bannon, and Linda Rickley

Others Gary Lawson, Gus Fields, Kenneth Cooley, Jon Donahue, Brent Kroener, Ron Roberts, John Parker, Richard W. Brown (via telephone), Thomas W. Jump, Diane Watts, David Jakoboski, and Eric Calhoun

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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 October 6, 2005
Regular meeting of October 13, 2005
Special meeting of October 21, 2005

2. Approval of Refunds of Contributions for the Month of October 2005

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>
John A. Rodgers	Fire	Oct. 7, 2005
Derrick L. Carwardine	Police	Oct. 14, 2005

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**2. Approval of Refunds of Contributions for the Month of October 2005
(continued)**



<u>EMPLOYEE NAME</u>	<u>DEPT.</u>	<u>REFUND DATE</u>
Joseph S. Giaise, Jr.	Police	Oct. 7, 2005
Keith W. Morgan	Police	Sept. 30, 2005

**3. Approval of Activity in the Deferred Retirement Option Plan (DROP) for
November 2005**

New DROP Participants

EMPLOYEE NAME	DEPT.
Kevin L. Best	Fire
Ronald J. Goins	Fire
Greg A. McDaniel	Fire
Rickey P. Murphree	Fire
Neil Price	Fire
Rhonda R. Westbrook	Fire
Maria E. Varker	Police
Edward Vasquez	Police
Patricia A. West	Police

Retiree DROP Status Changes

NAME	DEPT.	STATUS CODE
Dean L. Burmeister	Fire	1
David P. Ledbetter	Fire	3
Jerry V. Rushing	Fire	1
Daniel H. Barber	Police	2
Samuel E. Schiller	Police	3

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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3. Approval of Activity in the Deferred Retirement Option Plan (DROP) for November 2005 (continued)

Transfer Funds from DROP to 401(k)

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Leonard F. Johnson	Fire
Robert Smith	Fire
Sharon L. Mosley	Police

4. Approval of Vested Rights Letters

Marc C. Bollon, Police Officer

5. Approval of Earnings Test

Bryan C. Young, Police Officer

6. Approval of Estate Settlements

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Earl T. Pichette (<i>M</i>)	Fire	Dec. 13, 2004	Jason T. Pichette	A - Sec.6.01
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7. Approval of Survivor Benefits - Deceased Retirees

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Daryl R. Stauffer	Fire	Sept. 21, 2005	Linda F. Stauffer	Yes	B - Sec. 6.08
Jackie P. Doyal	Police	Sept. 25, 2005	Janet A. Doyal	Yes	B - Sec. 6.08
Robert E. Riley	Police	Sept. 21, 2005	Robbie L. Riley	No	A - Sec. 6.07

8. Approval of Survivor Benefits - Deceased Member

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Phillip H. Barker	Police	Sept. 24, 2005	Julianna W. Barker, spouse & guardian, FBO James W. Barker and Lauren L. Barker	No	B - Sec.6.08
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9. Approval of Service Retirements

Dean L. Burmeister	Fire	Oct. 13, 2005	B - Sec. 6.02(b)	Yes/VIII	No
Jerry V. Rushing	Fire	Oct. 21, 2005	B - Sec. 6.02(b)	Yes/VIII	No
William T. Maloney	Police	Nov. 2, 2005	B - Sec. 6.02(b)	Yes/IX	Yes
Louis B. Merritt	Police	Nov. 2, 2005	B - Sec. 6.02(b)	Yes/V	No
Mark E. Rodgers	Police	Nov. 1, 2005	A - Sec. 6.01(e)	Yes/V	No
Samuel E. Schiller	Police	Oct. 20, 2005	B - Sec. 6.02(b)	No/VIII	No

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

After discussion, Mr. Shaw 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. CDK Realty Advisors

- a. Staffing
- b. Possible purchases
 - (1) Idaho
 - (2) Colorado
- c. Portfolio review

Messrs. Cooley, Donahue, and Kroener, of CDK Realty Advisors, discussed staffing at the advisory company. CDK has hired a senior investment professional to oversee multi-family developments.

The Board went into a closed executive session - real estate at 8:54 a.m.

Richard W. Brown, of The Townsend Group, the System's real estate investment consultant, participated in the discussion via telephone.

The CDK representatives presented possible new investments in Idaho and Colorado.

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1. CDK Realty Advisors (continued)

Messrs. Cooley, Donahue, and Kroener discussed various real estate holdings of the System managed by the advisor, including The Legends, Village Pointe, and Greenway Station. The System's real estate investment portfolio managed by CDK was valued at approximately \$121,000,000 as of October 31, 2005.

The meeting was reopened at 9:51 a.m. The CDK item was recessed to allow the Board to address other agenda items.

The CDK discussion was reconvened and the Board went into a closed executive session at 12:27 p.m.

The meeting was reopened at 12:57 p.m.

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2. Kennedy Associates Real Estate Counsel, Inc.

- a. Portfolio review
- b. Update on Trade Center I and possible new investments in subsequent Trade Centers

Mr. Brown, the System's real estate investment consultant, participated in the discussion via telephone.

Ron Roberts, Executive Vice President - Portfolio Management, and John Parker, Executive Vice President - Acquisition, of Kennedy Associates Real Estate Counsel, Inc., reviewed the existing real estate investment portfolio managed by the advisor for the System. Kennedy Associates has been a real estate investment manager for the System since March of 1995. The real estate portfolio managed by Kennedy Associates at Oct. 31, 2005 was valued at approximately \$28,195,000.

Kennedy Associates also gave an update to the Board on an existing investment, Trade Center I.

The Board went into a closed executive session - real estate at 11:04 a.m.

Kennedy Associates discussed possible new investments in subsequent Trade Centers for the System's real estate portfolio.

The meeting was reopened and recessed at 11:55 a.m.

The meeting was reconvened and closed at 12:27 p.m.

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2. Kennedy Associates Real Estate Counsel, Inc. (continued)

The meeting was reopened at 12:57 p.m.

After discussion, Mr. Edge made a motion to receive and file the portfolio review by Kennedy Associates. Mr. Tomasovic seconded the motion, which was unanimously approved by the Board.

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3. Second and final reading of the 2006 Administrative and Professional Services Budgets

Mr. Tettamant stated that the proposed Administrative and Professional Services Budgets for 2006 were presented to the Board for review and comments at the September 8, 2005 meeting.

The proposed budget was distributed to the active members in the September issue of the System newsletter, *Pension Update*, and the Board held the first reading at the October 13, 2005 Board meeting. At that time, the Board authorized the second reading of the budget at the November 10, 2005 regular meeting.

After discussion, Mr. Shaw made a motion to approve the second and final reading of the 2006 Administrative and Professional Services Budgets. Mr. Tomasovic seconded the motion, which was unanimously approved by the Board.

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4. Closed Session - Board serving as Medical Committee

Discussion of the following disability application was closed to the public under the terms of Section 551.078 of the Texas Government Code at 10:00 a.m.:

a. Disability application:

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Thomas W. Jump Police Nov. 10, 2005 B - Sec. 6.02(b) On-Duty

b. Disability recall:

Alan J. Adamcik, retired Police Officer

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

Mr. Tettamant reviewed with the Board members the medical information and physicians' reports regarding the disability application of Mr. Jump, Police Officer and the disability recall of Mr. Adamcik, retired Police Officer.

Mr. Jump, Diane Watts, and Mr. Jakoboski were present to discuss Mr. Jump's application with the Board.

The meeting was reopened at 10:06 a.m.

After discussion, Mr. Shaw made a motion to grant **Thomas W. Jump** an on-duty, Combined Pension Plan, Group B disability benefit, subject to the System's right under the Board-approved disability procedure to require Mr. Jump to undergo future medical examinations to determine if the disability still exists or if recovery has been made to the point that Mr. Jump is able to return to duty, or 6 months, whichever is sooner. Mr. Jump is subject to the Annual Earnings Test Review as he was hired and suffered a disability after May 1, 1990. Mr. McCollum seconded the motion, which was unanimously approved by the Board.

After discussion, Mr. Shaw made a motion to grant continuance of **Alan J. Adamcik's** on-duty, Combined Pension Plan, Group B disability benefit, without further recall. Mr. McCollum seconded the motion, which was unanimously approved by the Board.

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5. Legal issues including, but not limited to:

- a. Police Officer and Firefighter pay lawsuits
- b. Legal representation

The Board went into a closed executive session - legal at 10:06 a.m.

Mr. Lawson, the System's outside legal counsel, briefed the Board on the above-mentioned cases.

The meeting was reopened at 10:28 a.m.

The Board, Mr. Lawson, Mr. Fields, and the staff discussed the System's future legal representation in the Police Officer and Firefighter pay lawsuits. Messrs. Lawson and Fields, of Godwin Gruber LLP, will be unable to represent the System due to their firm's conflict of interest. Judge Dry's son is an intern at

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5. Legal issues including, but not limited to: (continued)

Godwin Gruber LLP; therefore, Godwin Gruber cannot represent the System in this matter. Mr. Eric Calhoun, formerly of Lawson, Fields and Calhoun, P.C., was present to discuss the matter with the Board.

No motion was made.

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The meeting was recessed at 10:28 a.m.

The meeting was reconvened at 10:34 a.m.

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6. Legislative consultant's contract renewal

Mr. Tettamant stated that the current contract with Hillco Partners for legislative consulting services expires on December 31, 2005. The proposed renewal agreement for the period from January 1, 2006 through December 31, 2007 was discussed with the Board.

After discussion, Mr. Umlor made a motion to approve the proposed contract renewal with Hillco Partners for legislative consulting services for the period from January 1, 2006 through December 31, 2007. Mr. Shaw seconded the motion, which was unanimously approved by the Board.

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7. Board policies

- a. Possible revision to the Board's DROP Policy
 - b. Pension Payroll Deduction Policy
 - c. Private Equity Investment Policy and Guidelines
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- a. The 2005 Plan Amendment election includes proposed changes to Section 6.14 of the Plan Document to permit the Board through a new policy to provide greater flexibility to Pensioners in starting, stopping and restarting DROP deferrals and how withdrawals are taken. A draft proposed revision to the DROP policy to implement the plan amendment change was discussed.

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7. Board policies (continued)

Significant changes in the revision include:

- (1) Permits DROP participants after leaving Active Service to defer all or part of the monthly pension benefit into DROP.
 - (2) Permits Pensioners to commence, revoke and recommence to defer into DROP at any time, except as restricted by law.
 - (3) Permits Members to request lump sum distributions at any time with payment made when administratively feasible as determined by procedures governing distributions.
 - (4) Provides no limit on frequency of requests for distribution.
 - (5) Limits distributions to a minimum of \$1,000 per distribution and a maximum of the participant's account balance.
 - (6) Restrictions administratively necessary for the operation of DROP are retained.
 - (7) Requires the Administrator to develop a procedure to implement the policy.
- b.** Section 8.03 of the Plan Document permits the Board to adopt a uniform policy to approve deductions from pension benefits under a voluntary and revocable arrangement. The proposed policy provides guidelines for items that may be approved for deduction. The Board may approve additional items upon request. Deduction of amounts not directly related to prior employment with the City of Dallas or System retirement would require that the deduction be requested by a minimum of 200 Pensioners or Qualified Survivors.
- c.** The Private Equity Policy and Guidelines were discussed at the 2005 Annual Workshop. The new Private Equity Policy and Guidelines would govern investments classified as private equity. The policy would cover the Strategic Objective of the Private Equity Program, Responsibilities and Delegation, Long-Term Performance Objective, Investment Approaches and Parameters, and Investment Guidelines.

After discussion, Mr. Shaw made a motion to approve the proposed revision to the DROP Policy and the proposed Pension Payroll Deduction Policy and Private Equity Investment Policy and Guidelines, all subject to the final review and approval of the Administrator and legal counsel. Mr. Tomasovic seconded the motion, which was unanimously approved by the Board.

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8. Pension System's monthly financial statements

The Board and staff discussed the monthly financial statement for the period ending June 30, 2005.

After discussion, Mr. Tomasovic made a motion to receive and file the monthly financial statement for the period ending June 30, 2005. Mr. Mays seconded the motion, which was unanimously approved by the Board.

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9. 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 Reports and the Real Estate Portfolio Reports for November 2005 are included in Minute Book Number 35 on pages _____.

Wilshire Associates Inc. stated that all of the asset classes are within their respective asset allocation ranges on a net basis; however, the fund has \$20 million available to invest. Additionally, the second transition from Bank of Ireland to Fidelity Management Trust Company is due to occur this month in the amount of \$25 million. Domestic equity and international equity are both slightly under their overall target weights.

Therefore, Wilshire recommends the following transactions be effected: 1) raise \$25 million from Bank of Ireland and transfer it to Fidelity Management Trust Company, 2) transfer an additional \$10 million to Fidelity Management Trust Company from the cash available to invest (this represents a total of \$35 million moving to Fidelity), and 3) transfer \$10 million to Huff from the cash available to invest.

No other rebalancing is recommended at this time.

After discussion, Mr. Tomasovic made a motion to receive and file the November 2005 monthly asset allocation report and approve the investment consultant's recommendations for rebalancing the portfolio. Mr. Shaw seconded the motion, which was unanimously approved by the Board.

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**DALLAS POLICE AND FIRE PENSION SYSTEM
NOVEMBER 2005 ASSET ALLOCATION MONITORING REPORT**

Asset Class		Target		Actual		Range		Difference vs.	
		\$	%	\$	%	Minimum	Maximum	Target	\$
EQUITY									
<u>Domestic Equity</u>									
S & P Enhanced Index	INTECH	205.15	8.00	225.30	8.79	6.00	10.00		20.15
S & P Enhanced Index	T Rowe Price	102.57	4.00	134.55	5.25	2.00	6.00		31.98
Large Cap Growth	Oak Associates	153.86	6.00	134.58	5.25	5.00	7.00		(19.28)
Small Cap	Eagle Asset Management	128.22	5.00	117.10	4.57	4.00	6.00		(11.12)
Large Cap Value	Alliance Capital	153.86	6.00	146.71	5.72	5.00	7.00		(7.15)
Energy	Mitchell Group	0.00	0.00	29.83	1.16	0.00	0.00		29.83
Private Equity	NTOF	0.00	0.00	5.87	0.23	0.00	0.00		5.87
	Huf Alternative Fund	0.00	0.00	61.07	2.38	0.00	0.00		61.07
	Merit	0.00	0.00	5.23	0.20	0.00	0.00		5.23
	Pharos	0.00	0.00	1.50	0.06	0.00	0.00		1.50
Total Private Equity		<u>128.22</u>	<u>5.00</u>	<u>73.67</u>	<u>2.87</u>	4.00	6.00		<u>(54.55)</u>
Total Domestic Equity		<u>871.88</u>	<u>34.00</u>	<u>861.74</u>	<u>33.61</u>				<u>(10.14)</u>
<u>International Equity</u>									
Active Large Cap	Bank of Ireland	179.50	7.00	252.35	9.84	5.50	8.50		72.85
Active ACWI x US	Clay Finlay	179.50	7.00	154.47	6.02	5.50	8.50		(25.03)
Active Enhanced EAFE	Fidelity	256.43	10.00	205.49	8.01	8.50	11.50		(50.94)
Total International Equity		<u>615.43</u>	<u>24.00</u>	<u>612.31</u>	<u>23.87</u>				<u>(3.12)</u>
Total Equity		<u>1,487.31</u>	<u>58.00</u>	<u>1474.05</u>	<u>57.48</u>				<u>(13.26)</u>
FIXED INCOME									
<u>Global High Quality</u>									
	Mondrian Investment Partners	128.22	5.00	134.53	5.25	4.25	5.75		6.31
	Brandywine	128.22	5.00	122.72	4.79	4.25	5.75		(5.50)
<u>Domestic High Yield</u>									
	W.R. Huff	128.22	5.00	117.23	4.58	3.00	7.00		(10.99)

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**DALLAS POLICE AND FIRE PENSION SYSTEM
NOVEMBER 2005 ASSET ALLOCATION MONITORING REPORT
(Continued)**

Asset Class	Target		Actual		Range		Difference vs.		
	\$	%	\$	%	Minimum	Maximum	Target	\$	
EQUITY									
<u>Global Opportunistic</u>									
Global Opportunistic Funds									
		Huff Alternative Income	No Target	0.02	0.00			0.00	
		Oaktree	No Target	9.91	0.39			0.00	
		TCW Spl Credits	No Target	0.24	0.01			0.00	
		Ashmore	51.29	2.00	56.14	2.19	1.00	3.00	4.85
		Highland Crusader Fund	76.93	3.00	80.54	3.14	2.00	4.00	3.61
Total Global Opportunistic Funds			128.22	5.00	146.85	5.73			18.63
GOFI Separate Account		Loomis-Sayles	179.50	7.00	176.34	6.88	5.00	9.00	(3.16)
Total Global Opportunistic			307.72	12.00	323.19	12.60			23.93
Total Fixed Income			692.38	27.00	697.69	27.22			5.31
<u>REAL ESTATE</u>			384.65	15.00	383.14	14.94	13.00	17.00	(1.51)
<u>SHORT TERM INVESTMENTS</u>			0.00	0.00	9.46	0.36	0.00	0.00	9.46
Total Assets			2,564.34	100.00	2,564.34	100.00			0.00

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**DALLAS POLICE AND FIRE PENSION SYSTEM
NOVEMBER 2005 ASSET ALLOCATION MONITORING REPORT
Real Estate Portfolio**

Real Estate Manager	Total Market Value	Loan Program	Net Equity	Percentage of Real Estate Assets
Managers in Redemption				
Heitman Capital Management (JMB III)	15,434	0	15,434	0.00%
Prudential (Strategic Value Investors. LLC)	9,101,989	0	9,101,989	2.37%
Subtotal	9,117,423	0	9,117,423	2.37%
Separate Account Managers				
Agricultural - Hancock	46,950,229	0	46,950,229	12.23%
Forest Investment Associates	32,495,404	0	32,558,678	8.48%
INVESCO Realty	46,785,508	27,139,000	19,646,508	5.12%
Kennedy Associates	35,803,050	7,059,000	28,744,050	7.49%
L & B Real Estate Counsel	48,650,130	20,528,000	28,122,130	7.33%
GMAC Institutional Advisors	22,299,853	0	22,300,297	5.81%
Land Baron	54,855,126	43,023,000	11,832,126	3.08%
RREEF	37,398,958	0	38,011,823	9.90%
CDK Realty Advisors	124,563,932	23,237,000	101,326,932	26.40%
Subtotal	449,802,190	120,986,000	329,492,773	85.84%
Opportunistic Partnerships				
Hearthstone (MSII, MSIII Homebuilding)	4,477,094	0	4,477,094	1.17%
Crow Holdings Realty Partners II	4,731,143	0	4,731,143	1.23%
Oaktree Capital Management (OCM R E Opportunities Fund B)	12,194,169	0	12,194,169	3.18%
Hudson Advisors (Brazos, Lone Star I, II, III,IV,V)	16,129,263	0	16,129,263	4.20%
Olympus Real Estate Fund II & III	7,718,685	0	7,718,685	2.01%
Subtotal	45,250,354	0	45,250,354	11.79%
Total Real Estate	504,169,967	120,986,000	383,860,550	100.00%

Total Real Estate with Loan Program (net)

383,183,967

Total Fund Market Value

2,564,341,822

\$

%

Target Value (\$ and %)

384,651,273

15.00%

Market Value (\$ and %)

383,183,967

14.94%

Variance from Target

(1,467,306)

-0.06%

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

- a. Conference: Olympus Annual Investor Conference**
Date: October 11, 2005

Mr. Brown reported on the conference.

- b. Conference: 2005 Government Law & Liability Conference**
Dates: October 18-19, 2005

Mr. Davenport briefed the Board on the conference.

- c. Conference: PREA: 16th Annual Sponsor Real Estate Conference**
Dates: October 18-21, 2005

Messrs. Brown, Shaw, Wachsman, and Tettamant discussed the conference with the Board.

- d. Conference: Due Diligence: GMAC**
Due Diligence: Bank of Ireland
Date: October 19, 2005

Messrs. Brown, Wachsman, and Tettamant reported on the due diligence meeting with GMAC. Messrs. Brown, Shaw, Wachsman, and Tettamant reported on the due diligence meeting with Bank of Ireland.

- e. Conference: Board and Staff Workshop**
Dates: October 24-27, 2005

Board and staff members discussed the annual workshop.

After discussion, Mr. Umlor made a motion to receive and file the reports on due diligence and investment research meetings, seminars and/or conferences attended by Board and staff members. Mr. Edge 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 discuss concerns with 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

Mr. Tettamant and Mr. Blake 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.

The consensus of the Board was to move the next regular monthly meeting from Thursday, December 8 to Friday, December 9, 2005.

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

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3. Board operations and procedures

Staff members John Holt, Investment Technology Manager, and Jerry Chandler, Systems Analyst, demonstrated the operation of flash drives, which will be used to distribute agenda materials for future Board meetings.

No motion was made.

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The Administrator stated that there was no further business to come before the Board. On a motion by Mr. Edge and a second by Mr. Tomasovic, the meeting was adjourned at 2:18 p.m.



Gerald Brown
Chairman

ATTEST:



Richard L. Tettamant
Secretary