

**Dallas Police and Fire Pension System**  
**Thursday, December 14, 2006**  
**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: Mayor Pro Tem Donald Hill, and Councilmember Maxine Thornton-Reese

**Staff**

Don Rohan, Brian Blake, Everard Davenport, Mike Taylor, Pat McGennis, John Holt, Jerry Chandler, Matt Siekielski, Talal Ellass, and Linda Rickley

**Others**

Gary Lawson, Kenneth Cooley, Jon Donahue, Brent Kroener, and Marshall Edwards

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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**

Regular meeting of September 14, 2006

**2. Approval of Refunds of Contributions for the Month of November 2006**



<b><u>EMPLOYEE NAME</u></b>	<b><u>DEPT.</u></b>	<b><u>REFUND DATE</u></b>
Ernesto Valencia	Fire	Nov. 17, 2006
Delia Lugo	Police	Nov. 17, 2006
Michael A. Tayem	Police	Nov. 3, 2006
Connie H. Wilson	Police	Nov. 17, 2006

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**3. Approval of Activity in the Deferred Retirement Option Plan (DROP)  
for December 2006**

**New DROP Participants**



Stephen H. Carter	Fire
Ronnie L. Bratt	Police
Terence K. Cahill	Police
Garen L. Cornett	Police
Randy E. Loboda	Police
Harold E. Lewis	Police
David N. Myers	Police
Terry E. Stovall	Police
Frankie J. Turner	Police

**Retiree DROP Status Changes**



David H. Coughran	Fire	3
Lynn A. Curry	Fire	1
James M. Squires, Jr.	Fire	3
Levi T. Whitlow	Fire	3
James W. Andrews	Police	3
Joseph K. Baker, Jr.	Police	1
Steven A. Bates	Police	1
Jerry D. Bogard	Police	3
Larry R. Chapman	Police	2
Danny W. Green	Police	2
Jimmy C. Key	Police	1
David Linthicum	Police	2
Richard L. Pace	Police	4

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)**



Kenneth R. Hollins	Fire
Robert Smith	Fire
Richard A. Schauer	Police

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**4. Approval of Estate Settlements**

Dillard H. Seale ( <i>P</i> )	Fire	Nov. 8, 2004	Betty Wagner and Barbara Seale
Dorothy G. Wheless ( <i>S</i> )	Fire	June 1, 2004	Robert L. Wheless
William J. Wheless ( <i>P</i> )	Fire	May 13, 2004	Robert L. Wheless
Harry R. Freeman, Jr. ( <i>P</i> )	Police	Aug. 4, 2006	Harry R. Freeman, III
Eunice Jordan ( <i>S</i> )	Police	June 19, 2006	Linda Higginbotham
Margie Rodgers ( <i>S</i> )	Police	Aug. 4, 2004	Tommy K. Rodgers and Robert D. Rodgers
Pauline F. Stroud ( <i>S</i> )	Police	Oct. 19, 2006	Pat J. Stroud, Jr. and Bryan F. Stroud

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

Jeffery L. Delbert	Fire	Nov. 17, 2006	Dena L. Delbert, spouse and guardian of Jeffery L. Delbert Jr., Matthew J. Delbert, Makayla R. Delbert	Yes
George D. Jackson	Fire	Nov. 5, 2006	Mary K. Jackson	Yes
Brian A. Stoneback	Fire	Oct. 29, 2006	Patricia J. Stoneback	No
Gary B. Reed	Police	Nov. 13, 2006	Jewel A. Reed	Yes

**6. Approval of Survivor Benefits - Deceased Member**

Frank E. Guy	Fire	Sept. 18, 2006	Belinda D. Guy	No

**7. Approval of Service Retirements**

Lynn A. Curry	Fire	December 13, 2006
Rhonda R. Westbrook	Fire	November 28, 2006
Joseph K. Baker, Jr.	Police	November 15, 2006
Steven A. Bates	Police	November 17, 2006
Jerry D. Bogard	Police	December 11, 2006
Marjorie L. Cunningham	Police	December 1, 2006
Robert V. Johnson	Police	November 29, 2006

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

Jimmy C. Key	Police	December 6, 2006
Richard L. Pace	Police	November 8, 2006
Edward L. Peelman	Police	December 13, 2006

**8. Approval of Alternate Payee Benefits**

Martha J. Marchetti	Dudley T. Marchetti, Jr.	Police

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. 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. Possible revision to the Real Estate Investment Procedures and Guidelines**

Mr. Blake, Assistant Administrator – Investments, stated that the draft Real Estate Investment Procedures and Guidelines were reviewed at the November 9, 2006 Board meeting and presented again today as a possible revision to the Real Estate Guidelines.

After discussion, Mr. Wachsman made a motion to approve the proposed revised Real Estate Investment Procedures and Guidelines, subject to the final approval of the Administrator. Mr. Edge seconded the motion, which was unanimously approved by the Board.

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**2. Knudson Luxury Housing**

- a. Possible purchase of real estate investments in Hawaii through the Knudson Companies
- b. Status of existing portfolio and plans for future activities with regard to that portfolio

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**2. Knudson Luxury Housing (continued)**

Mr. Blake stated that the System completed its first investment in November 2006, through the Knudson Companies by investing \$18,000,000 in Knudson Luxury Housing IV, L.P. The Knudson Companies are requesting an additional amount from the System of approximately \$14,000,000 for the possible purchase of real estate investments in Hawaii.

The Board went into a closed executive session – real estate at 11:15 a.m.

The meeting was reopened at 11:35 a.m.

After discussion, Mr. Shaw made a motion to approve an additional investment through the Knudson Companies of approximately \$14,000,000 for the possible purchase of real estate investments. Mr. Edge seconded the motion, which was approved by the following vote:

For: Shaw, Edge, Brown, McCollum, Tomasovic, and Umlor  
Against: Mays and Wachsman

The Board also discussed the existing portfolio through the Knudson Companies.

No motion was made.

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**3. Extension of Agreement with the Lone Star Fund II, L.P.**

Mr. Blake explained that Lone Star Growth Fund II was scheduled to have all assets sold and all proceeds distributed by April 30, 2007, the eighth anniversary of the date the fund was closed. It still holds a “limited number of assets” that, they believe, would not provide their full value if subject to an expedited sale. Under the terms of the partnership, the General Partner can extend the fund for two separate one-year periods unless the Limited Partners disapprove. The General Partner wishes to exercise the option of extending the life of the fund for one year.

After discussion, Mr. Shaw made a motion to approve the request to extend life of the Lone Star Fund II, L.P. partnership until April 30, 2008. Mr. Wachsman seconded the motion, which was unanimously approved by the Board.

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**4. CDK Realty Advisors**

- a. Possible real estate investment in Manvel, Texas
- b. Possible construction loan on The Beat
- c. Status of existing portfolio and plans for future activities with regard to that portfolio

The Board went into a closed executive session – real estate at 8:59 a.m.

- a. Messrs. Cooley, Donahue, Kroener, and Edwards from CDK Realty Advisors, presented a possible real estate investment in Manvel, Texas.

The meeting was reopened at 10:36 a.m.

After discussion, Mr. Umlor made a motion not to participate in the proposed real estate investment in Manvel, Texas. Mr. Edge seconded the motion, which was approved by the following vote:

For: Umlor, Edge, Brown, McCollum, Shaw, and Tomasovic  
Against: Mays and Wachsman

- b. CDK Realty Advisors also discussed a possible construction loan on The Beat, one of the System’s real estate investments.

After discussion, Mr. Shaw made a motion to approve the construction loan on System’s real estate investment known as The Beat, subject to the final approval of the Administrator and legal counsel. Terms of the loan were delegated to the Administrator. Mr. Edge seconded the motion, which was unanimously approved by the Board.

- c. The status of existing portfolio and plans for future activities with regard to that portfolio were also discussed.

After discussion, Mr. Shaw made a motion to have The Townsend Group, the System’s real estate consultant, provide their recommendation to the Board prior to Board approval of all real estate investments. Mr. Edge seconded the motion, which was unanimously approved by the Board.

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

The Board went into closed session under the terms of Section 551.078 of the Texas Government Code for discussion of the following disability recalls at 11:10 a.m.:

- a. Flynn O. Coon, retired Police Officer
- b. Ronald E. Harris, retired Firefighter
- c. Michael E. Witzgall, retired Police Officer

Mr. Rohan provided to the Board members the medical information and physicians' reports regarding the disability recalls of Messrs. Coon, Harris, and Witzgall.

The meeting was reopened at 11:13 a.m.

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

After discussion, Mr. Shaw made a motion to grant continuance of **Michael E. Witzgall's** on-duty, Combined Pension Plan, Group B disability benefit, without further recall because Mr. Witzgall would attain age 50 in December 2006 and under the terms of the Plan is no longer subject to recall. Mr. McCollum seconded the motion, which was unanimously approved by the Board.

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

- a. Police Officer and Firefighter pay lawsuits
- b. Citrus Queensland PTY LTD & ORD v. Sunstate Orchards PTY LTD

Mr. Davenport, the System's General Counsel, reported in open session on the status of the legal issues.

No closed session was held.

After discussion, Mr. Edge made a motion to receive and file the report on legal issues. Mr. Tomasovic seconded the motion, which was unanimously approved by the Board.

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**7. Resolution concerning Section 845 of the Pension Protection Act**

Mr. Rohan, Assistant Administrator – Operations, reported that Section 845 of the Pension Protection Act provides a tax benefit to retired public safety officers who are using payroll deduction to pay for their group health insurance. It is possible that the IRS will interpret Section 845 to extend the benefit to survivors, as well. Pension distributions to eligible individuals for up to three thousand dollars of the premium are exempt from taxation each year. One of the paragraphs in Section 845 discussing the matter refers to an "election." The IRS has issued no guidance as to whether, or how, such an election is to be made. If the Board adopts the proposed resolution, then an eligible pensioner's or survivor's direction for the System to withhold premium payments and send them to the City of Dallas would constitute an election to receive the tax benefit.

After discussion, Mr. Wachsman made a motion to adopt the proposed resolution concerning Section 845 of the Pension Protection Act. Mr. Edge seconded the motion, which was unanimously approved by the Board.

The resolution is included in Minute Book Number 36 on page \_\_\_\_\_.

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## ***Section 845 Election***

***Whereas*** the Pensioners of the Dallas Police and Fire Pension System are all eligible to receive the tax benefit provided by Section 845 of the Pension Protection Act of 2006 (the Act);

***Whereas*** the survivors of deceased Members and Retirees may or may not receive the benefit of Section 845, depending upon future actions of the Internal Revenue Service and the United States Congress;

***Whereas*** the Act is unclear as to how eligible individuals are to elect to receive that benefit; and

***Whereas*** the Board of Trustees recognizes that every eligible individual who is having health insurance premiums deducted from a pension benefit would obtain a tax advantage by electing Section 845 benefits.

***Now, therefore, be it resolved*** that the Board of Trustees of the Dallas Police and Fire Pension System elects to extend the benefits of Section 845 to all possible individuals and hereby adopts the instruction form used to direct the System to withhold health insurance premiums as its official form to elect to receive any benefit for which he or she may be eligible under Section 845 of the Pension Protection Act of 2006.

***Be it further resolved*** that all instructions to direct the System to withhold insurance premiums now on file are deemed elections filed under Section 845 unless and until such election is revoked by the covered individual in a written instrument filed with the System.

***Adopted this the 14<sup>th</sup> day of December 2006.***

BOARD OF TRUSTEES OF  
THE DALLAS POLICE AND  
FIRE PENSION SYSTEM

**E F G H**

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Gerald Brown, Chairman

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**8. Monthly investment report**

- a. Group Trust's monthly asset allocation report and recommendations for rebalancing the Group Trust's investment portfolio
- b. Group Trust's monthly unitization report

The Asset Allocation Monitoring Reports and the Real Estate Portfolio Reports for December 2006 are included in Minute Book Number 36 on pages \_\_\_\_\_.

The staff stated that all of the asset classes are within their respective asset allocation ranges. There is a cash need of \$2 million which would be taken from Brandywine.

After discussion, Mr. Edge made a motion to receive and file the December 2006 monthly asset allocation report and November 2006 monthly unitization report and approve the staff recommendation. Messrs. Mays and McCollum jointly seconded the motion, which was unanimously approved by the Board.

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The meeting was recessed at 11:51 a.m.

The meeting was reconvened at 12:24 p.m.

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

**a. Conference: Timberland Investing World Summit**

**Dates:** November 13-15, 2006

Messrs. Brown, Shaw, and Umlor, briefed the Board on the summit.

**b. Conference: II: New Dimensions of Retirement Plans**

**Dates:** November 14, 2006

No report was given. Mr. Tettamant attended the conference, but was not present at the meeting..

**c. Conference: Napa Executive Committee Meeting**

**Dates:** November 29, 2006

Messrs. Brown and Shaw discussed the meeting with the Board.

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**DALLAS POLICE AND FIRE PENSION SYSTEM**  
**ASSET ALLOCATION MONITORING REPORT AS OF December 14, 2006**

Asset Class		Target		Actual		Range		Difference vs.	
		\$	%	\$	%	Minimum	Maximum	Target	\$
<b>EQUITY</b>									
<b><u>Domestic Equity</u></b>									
S & P Enhanced Index	INTECH	248.28	8.00%	247.58	7.98%	6.00	10.00		(0.70)
S & P Enhanced Index	T Rowe Price	124.14	4.00%	131.40	4.23%	2.00	6.00		7.26
Large Cap Growth	Oak Associates	186.21	6.00%	182.49	5.88%	5.00	7.00		(3.72)
Small Cap	Eagle Asset Management	155.18	5.00%	147.24	4.74%	4.00	6.00		(7.94)
Large Cap Value	AllianceBernstein	186.21	6.00%	184.36	5.94%	5.00	7.00		(1.85)
Energy	Mitchell Group	No Target		37.07	1.19%	0.00	0.00		0.00
<b>Private Equity</b>									
	NTOF	No Target		5.46	0.18%	0.00	0.00		0.00
	Huff Alternative Fund	No Target		72.69	2.34%	0.00	0.00		0.00
	Merit Energy	No Target		14.08	0.45%	0.00	0.00		0.00
	Levine Leichtman Capital Partners	No Target		5.25	0.17%	0.00	0.00		0.00
	Pharos	No Target		3.57	0.12%	0.00	0.00		0.00
<b>Total Private Equity</b>		155.18	5.00%	101.05	3.26%	4.00	6.00		(54.13)
<b>Total Domestic Equity</b>		1055.20	34.00%	1,031.19	33.23%				(24.01)
<b><u>International Equity</u></b>									
Active Large Cap	Bank of Ireland	217.25	7.00%	216.78	6.98%	5.50	8.50		(0.47)
Active ACWI x US	Clay Finlay	217.25	7.00%	215.45	6.94%	5.50	8.50		(1.80)
Active Enhanced EAFE	Pyramis (Fidelity)	310.35	10.00%	325.73	10.50%	8.50	11.50		15.38
<b>Total International Equity</b>		744.85	24.00%	757.96	24.42%				13.11
		0.00			0.00%				
<b>Total Equity</b>		1800.05	58.00%	1789.15	57.65%				(10.90)
<b>FIXED INCOME</b>									
<b><u>Global High Quality</u></b>									
	Mondrian Investment Partners	155.18	5.00%	139.85	4.51%	4.25	5.75		(15.33)
	Brandywine	155.18	5.00%	150.21	4.84%	4.25	5.75		(4.97)
<b><u>Domestic High Yield</u></b>									
	W.R. Huff	155.18	5.00%	140.36	4.52%	3.00	7.00		(14.82)

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**(continued)**

**DALLAS POLICE AND FIRE PENSION SYSTEM**  
**ASSET ALLOCATION MONITORING REPORT AS OF December 14, 2006**  
**(continued)**

Asset Class		Target		Actual		Range		Difference vs	
		\$	%	\$	%	Minimum	Maximum	Target	\$
<b><u>Global Opportunistic</u></b>									
Global Opportunistic Funds	Huff Alternative Income		No Target	0.07	0.00%				0.00
	Oaktree OCM IV		No Target	3.01	0.10%				0.00
	Ashmore	62.07	2.00%	65.96	2.13%	1.00	3.00		3.89
	Highland Crusader Fund	69.83	2.25%	76.36	2.46%	1.00	3.00		6.53
	Highland Credit Opportunities CDO, L.P	23.28	0.75%	30.00	0.97%	0.75	2.75		6.72
<b>Total Global Opportunistic Funds</b>		155.18	5.00%	175.40	5.65%				20.22
GOFI Separate Account	Loomis-Sayles	217.25	7.00%	196.82	6.34%	5.00	9.00		(20.43)
<b>Total Global Opportunistic</b>		372.42	12.00%	372.22	11.99%				(0.20)
<b>Total Fixed Income</b>		837.95	27.00%	802.66	25.86%				(35.29)
<b><u>REAL ESTATE</u></b>		465.53	15.00%	501.99	16.17%	13.00	17.00		36.46
		0.00			0.00%				0.00
<b><u>SHORT TERM INVESTMENTS</u></b>		0.00	0.00%	9.73	0.31%	0.00	0.00		9.73
					0.00%				
<b>Total Assets</b>		3,103.53	100.00%	3,103.53	100.00%				0.00

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**DALLAS POLICE AND FIRE PENSION SYSTEM  
ASSET ALLOCATION MONITORING REPORT AS OF DECEMBER 2006  
Real Estate Portfolio**

<b>Real Estate Manager</b>	<b>Total Market Value</b>	<b>Loan Program</b>	<b>Net Equity</b>	<b>Percentage of Real Estate Assets</b>
<b>Managers in Redemption</b>				
Prudential (Strategic Value Investors. LLC)	1,446,812	0	1,446,812	0.29%
<b>Subtotal</b>	1,446,812	0	1,446,812	0.29%
<b>Separate Account Managers</b>				
Hancock Agricultural	52,234,142	0	52,234,142	10.41%
Forest Investment Associates	31,668,650	0	31,668,650	6.31%
RMK Timberland Group	670,000	0	670,000	0.13%
INVESCO	46,540,705	31,437,500	15,103,205	3.01%
Kennedy Associates	31,771,479	0	31,746,215	6.32%
L & B Real Estate Advisors LLP	119,955,689	52,274,000	67,681,689	13.48%
Capmark Investments (GMAC)	52,219,448	36,000,000	16,219,448	3.23%
Land Baron	106,632,568	94,656,987	11,975,581	2.39%
Criswell Radovan	30,312,271	18,000,000	12,312,271	2.45%
RREEF	55,392,381	0	55,392,381	11.03%
CDK Realty Advisors	196,625,754	39,679,513	156,946,241	31.26%
Kundson Luxury Housing	18,017,755	16,200,000	1,817,755	0.36%
<b>Subtotal</b>	742,040,842	288,248,000	453,762,578	90.39%
<b>Opportunistic Partnerships</b>				
Hearthstone (MSIII Homebuilding)	475,599	0	475,599	0.09%
Crow Holdings Realty Partners II	2,697,385	0	2,697,385	0.54%
Oaktree Capital Management (OCM Fund B)	4,973,029	0	4,973,029	0.99%
Hudson Advisors ( Lone Star I, II, III,IV,V)	26,219,258	0	26,219,258	5.22%
Olympus Real Estate Fund II & III	7,753,463	0	7,753,463	1.54%
Lone Star Fund V LP	6,115,817	0	6,115,817	1.22%
<b>Subtotal</b>	48,234,551	0	48,234,551	9.61%
<b>Total Real Estate</b>	790,275,393	288,248,000	501,997,129	100.00%

**Total Real Estate with Loan Program (net)**

**\$501,997,129**

**Total Fund Market Value**

**\$3,103,530,000**

\$

%

**Target Value (\$ and % )**

**\$465,529,500**

**15.00%**

**Market Value (\$ and %)**

**\$501,997,129**

**16.18%**

**Variance from Target**

**\$36,467,629**

**1.18%**

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

**d. Conference: IIR: Public Funds Roundtable**

**Dates:** December 9-12, 2006

Mr. Brown reported on the seminar.

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

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The meeting was recessed at 12:53 p.m.

The meeting was reconvened at 1:13 p.m.

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**10. 2007 Personalized Benefit Statement for Members of the Dallas Police and Fire Pension System**

The Administrative Advisory Committee (AAC) discussed the proposed draft of the 2007 personalized benefit statements for members of the Dallas Police and Fire Pension System at the Committee meeting on December 14, 2006 and recommended Board approval with the changes noted at the meeting.

The statement for each member includes a cover letter from the Chairman and the Administrator, a summary of contributions made and an estimate of future benefits. 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 2007.

After discussion, Mr. Edge made a motion to approve the recommendation of the AAC to approve the 2007 Personalized Benefit Statement for Members of the Dallas Police and Fire Pension System with the changes noted at the meeting. Mr. Wachsman seconded the motion, which was unanimously approved by the Board.

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**11. 2007 Personalized Deferred Retirement Option Plan (DROP) Statement for Members of the Dallas Police and Fire Pension System**

The AAC discussed the proposed draft of the individualized DROP Statement at the Committee meeting on December 14, 2006 for members of the Dallas Police & Fire Pension System who have joined DROP. The Committee recommended Board approval.

Mailing of the DROP statements to each participant's home address of record is scheduled for the last week of February 2007. DROP projections are not included on DROP statements for retired DROP participants because retired members can take distributions from their accounts. Staff may make minor content and design changes before printing and distribution.

After discussion, Mr. Edge made a motion to approve the recommendation of the AAC to approve the 2007 Personalized Deferred Retirement Option Plan (DROP) Statement for Members of the Dallas Police and Fire Pension System. Mr. Wachsman seconded the motion, which was unanimously approved by the Board.

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**12. Review of performance of the Administrator and terms of continued employment**

The AAC reviewed the performance of the Administrator at the meeting on December 14, 2006 and made a recommendation to the Board.

After discussion, Mr. Wachsman made a motion to approve the AAC's recommendation regarding the performance review of the Administrator and terms of continued employment. Mr. Edge seconded the motion, which was unanimously approved by the Board.

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**13. Administrator's 2007 Administrative Plan**

Staff presented to the AAC on December 14, 2006 an annual work plan for the year 2007 to be utilized as a guide for Board and Staff in project planning and implementation during the coming year. The AAC recommended Board approval.

After discussion, Mr. Wachsman made a motion to approve the Administrator's 2007 Administrative Plan, as recommended by the AAC. Mr. Tomasovic 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 discuss concerns. Mr. Rohan mentioned the concern of one Pensioner that his and his wife's retiree health insurance through her employer was not subject to the pre-tax advantage that has been offered to those who have the City of Dallas retiree health insurance.

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

Messrs. Blake and Rohan briefed the Board on the investment managers and professional services providers, and other current developments relating to the Pension System.

No motion was made.

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**3. Board operations and procedures**

No discussion was held.

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The Assistant Administrator - Operations 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 1:41 p.m.

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Gerald Brown  
Chairman

**ATTEST:**

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Richard L. Tettamant  
Secretary