

Dallas Police and Fire Pension System
Wednesday, March 15, 2006
12:00 noon
2301 North Akard Street
Second Floor Conference Room
Dallas, Texas

Special 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: Donald W. Hill and Maxine Thornton-Reese

Staff Richard Tettamant, Brian Blake, Don Rohan, Everard Davenport, Mike Taylor, and Jay Jackson

Others Michael Chernine (via telephone), and Rhett Humphreys

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The meeting was called to order at 12:03 p.m.

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A. DISCUSSION AND POSSIBLE ACTION REGARDING ITEM FOR INDIVIDUAL CONSIDERATION

- 1. Reports and recommendations of NEPC, including, but not limited to the following:**
 - a. Quarterly investment performance report for the fourth quarter ended December 31, 2005
 - b. Educational session regarding portable alpha
 - c. 2006 Real Estate Market Outlook

Rhett Humphreys, Partner, from NEPC, the System's general investment consultant, reviewed the Fourth Quarter 2005 Investment Performance Report.

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1. Reports and recommendations of NEPC, including, but not limited to the following: (continued)

After discussion, Mr. Wachsman made a motion to receive and file the quarterly investment performance report for the fourth quarter ended December 31, 2005. Mr. Shaw seconded the motion, which was unanimously approved by the Board.

Mr. Humphreys gave a brief educational presentation on portable alpha strategies.

After discussion, Mr. Shaw made a motion to receive and file the educational presentation on portable alpha strategies. Mr. Edge seconded the motion, which was unanimously approved by the Board.

No report was given on the 2006 real estate market outlook.

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2. LandBaron Investments

- a. Possible sale of property in Idaho
- b. Maximum allocation to LandBaron Investments
- c. Possible purchase of property in Tucson, Arizona
- d. Status of existing portfolio and plans for future activities with regard to that portfolio

In accordance with the Texas Government Code, Section 551.072, the Board went into a closed executive session – real estate at 1:30 p.m.

The Board discussed LandBaron Investments with Michael Chernine, the company's founder, via telephone.

The meeting was reopened at 2:05 p.m.

After discussion, Mr. Edge made a motion to remove the cost of the pending purchase in California from the limit on LandBaron investments, and then increase that amount by about \$5 million to permit the Tucson purchase. Mr. Shaw seconded the motion, which was unanimously approved by the Board.

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The Board went into a closed executive session – real estate at 2:12 p.m.

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

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

The meeting was reconvened at 2:30 p.m.

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3. 2005 Fiscal Year-End Close Review of the Administrative and Professional Services Budgets for the year ended December 31, 2005

Mr. Tomasovic reported that the Administrative Advisory Committee recommended approval of the final report on the 2005 Administrative and Professional Services Budgets.

After discussion, Mr. Edge made a motion to approve the Administrative Advisory Committee's recommendation to approve the 2005 Fiscal Year-End Close Review of the Administrative and Professional Services Budgets for the year ended December 31, 2005. Mr. Tomasovic seconded the motion, which was unanimously approved by the Board.

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2. Administrator's report

No discussion was held.

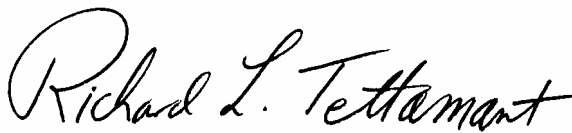
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The Administrator stated that there was no further business to come before the Board. On a motion by Mr. Tomasovic and a second by Mr. McCollum, the meeting was adjourned at 2:31 p.m.



Gerald Brown
Chairman

ATTEST:



Richard L. Tettamant
Secretary