

AGENDA



Date: May 1, 2008

The regular meeting of the Dallas Police and Fire Pension System Board of Trustees will be held at **8:30 a.m. on Thursday, May 8, 2008 in the First Floor Conference Room at 2301 North Akard Street, Dallas, Texas.** Items of the following agenda will be presented to the Board:

A. CONSENT AGENDA

1. Approval of Minutes

Regular meeting of April 10, 2008

2. Approval of Refunds of Contributions for the Month of April 2008

3. Approval of Activity in the Deferred Retirement Option Plan (DROP) for May 2008

4. Approval of Estate Settlements

Deceased (Member (P) or Survivor (S))	Dept.	Date Of Death	Estate Payment To
Geneva A. Jones(S)	Police	April 13, 2008	Danielle R Conley
Kathryn E. Stotz(S)	Police	March 16, 2008	Ross R. Stotz
Thomas J. Taylor(P)	Police	March 21, 2008	Barbara G. Taylor

5. Approval of Survivor Benefits – Deceased Retirees

Deceased Member	Dept.	Date Of Death	Qualified Survivors
J. H. Crouch	Fire	March 31, 2008	Wilma L. Crouch
James R. McCurdy	Fire	March 14, 2008	Susan C. McCurdy
Jackie R. Walton	Fire	March 19, 2008	Sonya Walton
Tommy D. Maddox	Police	March 28, 2008	Oma I. Maddox

6. Approval of Service Retirements

Member	Dept.	Effective
James R. Baker, Jr.	Fire	April 26, 2008
David L. Henry	Fire	April 30, 2008
Jesus R. Montemayor	Fire	April 30, 2008
Charles B. Muirhead	Fire	May 9, 2008
Percy B. Griffin	Police	April 16, 2008
Fred N. Moore	Police	April 30, 2008
Jeffrey H. Nelson	Police	March 28, 2008
Alfred P. Schoelen, Jr.	Police	March 28, 2008

7. Approval of Earnings Test

Member	Dept.	Effective
Lori Nobel	Fire	April 24, 2008
Leo Taylor	Fire	April 24, 2008
Richard Casillas	Police	April 24, 2008
Flynn Coon	Police	April 24, 2008
Thomas Jump	Police	April 24, 2008
Maria Kaminske	Police	April 24, 2008
Tracey Nichols	Police	April 24, 2008
Michael Zang	Police	April 24, 2008

B. DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR INDIVIDUAL CONSIDERATION

1. RMK Timberland Group

- a. Possible new investment
- b. Status of existing portfolio and plans for future activities with regard to that portfolio

2. Proposed revisions to the Investment Implementation Policy, and upon approval, possible reallocation of assets

3. Investment and financial reports

- 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
- c. Unaudited draft monthly investment performance (Flash) report
- d. Financial statements

4. Legal issues including, but not limited to:

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

5. Pension-related issues for possible legislative consideration

- a. Pending legislation
- b. Reports from legislative consultants

6. Closed Session - Board serving as Medical Committee

Discussion of the following disability application will be closed to the public under the terms of Section 551.078 of the Texas Government Code:

- a. Glenda M. Eller, Fire Fighter
- b. Lisa M. Mills, Police Officer

7. Policy to Permit Payments Directly to Special Needs Trusts of Payees other than Disabled Dependents

8. 2006 audit report

9. 2007 actuarial valuation

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

C. BRIEFING ITEMS

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

2. Administrator's report

- a. Custodial bank/consultants update
- b. Investment managers update
- c. Professional services providers update
- d. 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

3. Board operations and procedures

The term "possible action" in the wording of any Agenda item contained herein serves as notice that the Board may, in its discretion, dispose of any item by any action in the following non-exclusive list: approval, disapproval, deferral, table, take no action, and receive and file.

At any point during the consideration of the above items, the Board may go into Closed Executive Session as per Texas Government Code, Section 551.071 for consultation with attorneys, Section 551.072 for real estate matters, Section 551.074 for personnel matters, and Section 551.078 for review of medical records. An expression of preference or a preliminary vote may be taken by the Board on any briefing item or item discussed in executive session.

At the discretion of the Board, items on this agenda may be considered at times other than those indicated above.

Dallas Police and Fire Pension System
Thursday, May 8, 2008
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: David A. Neumann (on Pension System business), Dwaine R. Caraway, Vonciel Jones Hill, and Pauline Medrano

Staff Richard Tettamant, Don Rohan, Brian Blake, Everard Davenport, Mike Taylor, Brad Goodsell, Pat McGennis, John Holt, Jerry Chandler, Talal Ellass, Corina Terrazas, and Linda Rickley

Others Gary Lawson, Dr. Jon Caulfield, Bob Sinclair, Jim McBride, Glenda Eller, Sidney L. Hutchings, and Lisa M. Mills

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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 April 10, 2008

2. Approval of Refunds of Contributions for the Month of April 2008



<u>EMPLOYEE NAME</u>	<u>DEPT.</u>	<u>REFUND DATE</u>
Randy A. Anderson	Police	March 28, 2008
Patricia A. Hartman	Police	March 28, 2008
Clifford T. King	Police	March 28, 2008
Kenneth W. Sample	Police	March 28, 2008

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3. Approval of Activity in the Deferred Retirement Option Plan (DROP) for May 2008

New DROP Participants

James C. Adams	Fire
Paul E. Davis	Fire
Gregory A. Harper	Fire
David V. Simpson	Fire
Steven L. Tawater	Fire
James A. Thompson	Fire
James F. Francis	Police
Danny H. Haulbrook	Police
Marc C. Hearn	Police
Paul R. Morris	Police
William H. Reese	Police
Teddy D. Smith	Police
Recardo Trejo	Police
Charles E. Williams, Jr.	Police
Bobby R. Woods	Police

Transfer Funds from DROP to 401(k)

None	
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4. Approval of Estate Settlements

<i>Survivor (S)</i>			
Geneva A. Jones(S)	Police	April 13, 2008	Danielle R Conley
Kathryn E. Stotz(S)	Police	March 16, 2008	Ross R. Stotz
Thomas J. Taylor(P)	Police	March 21, 2008	Barbara G. Taylor

5. Approval of Survivor Benefits – Deceased Retirees

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7. Approval of Earnings Test

		Effective
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Flynn Coon	Police	April 24, 2008
Thomas Jump	Police	April 24, 2008
Maria Kaminske	Police	April 24, 2008
Tracey Nichols	Police	April 24, 2008
Michael Zang	Police	April 24, 2008

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. RMK Timberland Group

- a. Possible new investment
- b. Status of existing portfolio and plans for future activities with regard to that portfolio

Dr. Jon Caulfield, Bob Sinclair and Jim McBride were present from RMK Timberland Group to discuss a possible new investment. The Board had previously approved \$15,000,000 for timber investments in Brazil through RMK Timberland Group. RMK is requesting an additional \$10,000,000, for a total of \$25,000,000 to be invested in a possible new investment in Brazil. RMK Timberland Group is one of the System's timber investment managers

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1. RMK Timberland Group (continued)

that invests money for the System in the United States and South America. RMK Timberland Group also discussed the status of the existing portfolio, including investments in Uruguay. In addition, possible investments in South Africa were discussed.

After discussion, Mr. Wachsman made a motion to increase the investment in Brazilian timberland from \$15,000,000 to \$25,000,000 through RMK Timberland Group, subject to successful due diligence, contract negotiations, and the final approval of the Administrator and legal counsel, to authorize the Chairman to execute the contract, and to authorize the Administrator to perform all necessary acts and exercise all appropriate discretion to consummate the investment and ongoing operation. Mr. Mays seconded the motion, which was unanimously approved by the Board.

After discussion, Mr. Edge made a motion to receive and file the reports by RMK Timberland Group. Mr. McCollum seconded the motion, which was unanimously approved by the Board.

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2. Proposed revisions to the Investment Implementation Policy, and upon approval, possible reallocation of assets

The Board and staff discussed the proposed Investment Implementation Policy. Previously, the Board, after two readings on March 13 and April 10, approved the Strategic Investment Policy for the System. The Investment Implementation Policy is required to provide the framework to implement the broad guidelines of the Strategic Investment Policy. The proposal sets parameters in various investment categories so that the broad policies of the Strategic Investment Policy can be accomplished.

No action was taken. The Board directed the Administrator to place this item on the June Board meeting agenda.

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3. Investment and financial reports

- 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
- c. Unaudited draft monthly investment performance (Flash) report
- d. Financial statements

Staff discussed the above reports with the Board.

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3. Investment and financial reports (continued)

The Asset Allocation Monitoring Reports and the Real Estate Portfolio Reports for May 2008 are included in Minute Book Number 37 on pages _____.

Staff stated that all of the assets classes are within their respective asset allocation ranges and reported the following:

<u>Investment Capital Calls for May 2008</u>	
Ashmore GSSF IV	\$21,000,000
CDK- The Post	<u>5,000,000</u>
Total	\$26,000,000

To fund these investments, staff recommends withdrawing \$13,000,000.00 from INTECH Enhanced Fund, and \$13,000,000.00 from T. Rowe Price Enhanced Fund.

After discussion, Mr. Wachsman made a motion to approve the May 2008 monthly asset allocation report and approve the staff recommendations. Mr. McCollum seconded the motion, which was unanimously approved by the Board.

After discussion, Mr. Wachsman made a motion to receive and file the Group Trust monthly unitization report. Mr. Shaw seconded the motion, which was unanimously approved by the Board.

After discussion, Mr. Wachsman made a motion to receive and file the unaudited draft monthly investment performance (Flash) report. Mr. Tomasovic seconded the motion, which was unanimously approved by the Board.

After discussion, Mr. Wachsman made a motion to receive and file the February 2008 monthly financial statements. Mr. Edge seconded the motion, which was unanimously approved by the Board.

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4. Legal issues including, but not limited to:

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

Legal counsel stated that there were no new developments on current legal issues.

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DALLAS POLICE & FIRE GROUP TRUST

**As of May 6, 2008
ASSET ALLOCATION**

Asset Class		\$	%	\$	%	Minimum	Maximum	Target
EQUITY								
US Large Cap								
S & P Enhanced Index	INTECH	119.50	3.50%	124.15	3.64%	2.50	4.50	4.65
S & P Enhanced Index	T Rowe Price	119.50	3.50%	132.77	3.89%	2.50	4.50	13.27
Large Cap Growth	INTECH	68.29	2.00%	66.69	1.95%	1.50	2.50	(1.60)
Large Cap Growth	T Rowe Price	68.29	2.00%	66.23	1.94%	1.50	2.50	(2.06)
Large Cap Value	AllianceBernstein	102.43	3.00%	103.41	3.03%	2.00	4.00	0.98
Energy	Mitchell Group	51.22	1.50%	60.72	1.78%	0.00	2.00	9.50
Energy	Orleans Capital	51.22	1.50%	56.69	1.66%	0.00	2.00	5.47
Total US Large Cap		580.44	17.00%	610.66	17.89%			30.22
US Small Cap								
	Eagle Asset Management	170.72	5.00%	156.85	4.59%	4.00	6.00	(13.87)
Total US Small Cap		170.72	5.00%	156.85	4.59%	4.00	6.00	(13.87)
Private Equity								
	NTOF	0.00	Committed	3.51	0.10%	0.00	0.00	0.00
	Huff Alternative Fund	100.00	Committed	97.52	2.86%	0.00	0.00	0.00
	Merit Energy	55.00	Committed	15.66	0.46%	0.00	0.00	0.00
	Levine Leichtman Capital Partners	75.00	Committed	43.76	1.28%	0.00	0.00	0.00
	Levine Leichtman Capital Partners IV	50.00	Committed	5.73	0.17%	0.00	0.00	0.00
	Huff Energy Fund LP	100.00	Committed	28.60	0.84%	0.00	0.00	0.00
	Lone Star Growth Capital	16.00	Committed	12.54	0.37%	0.00	0.00	0.00
	JPMorgan Infrastructure	20.00	Committed	21.37	0.63%	0.00	0.00	0.00
	RREEF Infrastructure	50.00	Committed	50.85	1.49%	0.00	0.00	0.00
	Pharos	30.00	Committed	25.47	0.75%	0.00	0.00	0.00
	BankCap Partners	20.00	Committed	7.77	0.23%	0.00	0.00	0.00
Total Private Equity		341.44	10.00%	312.78	9.16%	8.00	12.00	(28.66)
Total Domestic Equity		1092.60	32.00%	1,080.29	31.64%			
International Equity								
Active Large Cap	Bank of Ireland	136.57	4.00%	97.55	2.86%	3.00	5.00	(39.02)
Active ACWI x US	Clay Finlay	136.57	4.00%	136.96	4.01%	3.00	5.00	0.39
Active Enhanced EAFE	Pyramis (Fidelity)	273.15	8.00%	257.20	7.53%	6.00	10.00	(15.95)
Total International Equity		546.30	16.00%	491.71	14.40%			(54.59)
Global Equity								
	AllianceBernstein	85.36	2.50%	72.98	2.14%	1.50	3.50	(12.38)
	OFI	85.36	2.50%	78.16	2.29%	1.50	3.50	(7.20)
Total Global Equity		170.72	5.00%	151.14	4.43%			(19.58)
Total Equity		1809.61	53.00%	1723.14	50.47%			(86.47)
FIXED INCOME								
Global Aggregate Bonds								
	Mondrian Investment Partners	119.50	3.50%	118.22	3.46%	2.50	4.50	(1.28)
	Brandywine	119.50	3.50%	117.63	3.45%	2.50	4.50	(1.87)
Total Aggregate Global Bonds		239.01	7.00%	235.85	6.91%			(3.16)
Global Opportunistic FI								
Global Opportunistic Funds	Huff Alternative Income	0.00	0.00%	0.13	0.00%	0.00	0.00	0.00
	Oaktree	34.14	1.00%	57.40	1.68%	1.00	3.00	23.26
	W.R. Huff High Yield	102.43	3.00%	94.75	2.78%	2.00	4.00	(7.68)
	Ashmore	68.29	2.00%	76.94	2.25%	1.00	3.00	8.65
	Ashmore GSSF 4	0.00	0.00%	27.68	0.81%	0.00	0.00	0.00
	Highland Crusader Fund	102.43	3.00%	69.34	2.03%	2.00	4.00	(33.09)
	Highland Credit Opportunities CDO, L.P	34.14	1.00%	27.66	0.81%	0.00	2.00	(6.48)
GOFI Separate Account	Loomis Sayles	170.72	5.00%	170.46	4.99%	4.00	6.00	(0.26)
Total Global Opportunistic FI		512.15	15.00%	524.36	15.36%			12.21
Total Fixed Income		751.16	22.00%	760.21	22.27%			9.05
GAA								
	Bridgewater	57.02	1.67%	58.17	1.70%	1.00	2.40	1.15
	Mellon	56.68	1.66%	41.99	1.23%	1.00	2.40	(14.69)
Total GAA		170.72	5.00%	150.86	4.42%			(19.86)
REAL ESTATE								
	All Real Estate	682.87	20.00%	776.37	22.74%	17.00	23.00	93.50
Total Real Estate		682.87	20.00%	776.37	22.74%			93.50
SHORT TERM INVESTMENTS								
		0.00	0.00%	3.78	0.11%	0.00	0.00	3.78

**Regular Board Meeting
May 8, 2008
Dallas Police & Fire Group Trust**

ASSET ALLOCATION AS OF 05/06/2008

Real Estate Portfolio

Real Estate Manager	Total Market Value	Loan Program	Net Equity	Percentage of Real Estate Assets
Separate Account Managers				
Hancock Agricultural	66,486,827	0	66,486,827	8.56%
Forest Investment Associates	42,889,331	0	42,889,331	5.52%
RMK Timberland Group	49,292,655	0	49,292,655	6.35%
INVESCO	48,262,286	27,054,500	21,207,786	2.73%
Kennedy Associates	39,994,217	0	39,994,217	5.15%
L & B Real Estate Advisors LLP	113,079,448	40,920,000	72,159,448	9.29%
Capmark Investments (GMAC)	76,338,591	31,526,000	44,812,591	5.77%
Land Baron	106,632,491	94,656,987	11,975,504	1.54%
Criswell Radovan	60,882,837	18,000,000	42,882,837	5.52%
RREEF	39,903,306	0	39,903,306	5.14%
CDK Realty Advisors	385,289,005	106,179,513	279,109,492	35.95%
Kundson Luxury Housing	41,675,249	28,800,000	12,875,249	1.66%
Subtotal	1,070,726,244	347,137,000	723,589,244	93.20%
Opportunistic Partnerships				
Hearthstone (MSIII Homebuilding)	721,072	0	721,072	0.09%
Crow Holdings Realty Partners II	330,519	0	330,519	0.04%
Oaktree Capital Management (OCM Fund B)	4,082,567	0	4,082,567	0.53%
Olympus Real Estate Fund II & III	5,661,972	0	5,661,972	0.73%
Hudson Advisors (Lone Star I, II, III,IV,V)	41,982,374	0	41,982,374	5.41%
Subtotal	52,778,504	0	52,778,504	6.80%
Total Real Estate	1,123,504,748	347,137,000	776,367,748	100.00%

Total Real Estate with Loan Program (net)

\$776,367,748

Total Fund Market Value

\$3,414,360,000

\$

%

Target Value (\$ and %)

\$682,872,000

20.00%

Market Value (\$ and %)

\$776,367,748

22.74%

Variance from Target

\$93,495,748

2.74%

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Thursday, May 8, 2008**

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

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

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5. Pension-related issues for possible legislative consideration

- a. Pending legislation
- b. Reports from legislative consultants

The Board and staff discussed pending legislation and reports from the System's legislative consultants.

After discussion, Mr. Wachsman made a motion to receive and file the reports on pension-related legislative issues. Mr. Edge seconded the motion, which was unanimously approved by the Board.

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6. Closed Session - Board serving as Medical Committee

Discussion of the following disability applications will be closed to the public under the terms of Section 551.078 of the Texas Government Code:

- a. Glenda M. Eller, Fire Fighter
- b. Lisa M. Mills, Police Officer

The Board went into a closed executive session – medical at 10:01 a.m. to discuss the disability application of Glenda M. Eller.

The Board and staff reviewed the medical information regarding the disability application of Glenda M. Eller. Ms. Eller and her husband, Sidney L. Hutchings, were present.

The meeting was reopened at 10:20 a.m.

After discussion, Mr. Shaw made a motion to grant **Glenda Eller** an on-duty, Combined Pension Plan, Group B disability benefit, subject to the System's right under the Board-approved disability procedure to require Ms. Eller to undergo future medical examination(s) to determine if the disability still exists or if recovery has been made to the point that Ms. Eller is able to return to duty, or two years, whichever is sooner. Ms. Eller is subject to the Annual Earnings Test Review as she was hired and suffered a disability after May 1, 1990. The motion was seconded by Mr. Umlor and unanimously approved by the Board.

**Regular Board Meeting
Thursday, May 8, 2008**

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

The Board went into a closed executive session – medical 10:22 a.m. to discuss the disability application of Lisa M. Mills.

The Board and staff reviewed the medical information regarding the disability application of Lisa M. Mills. Ms. Mills was present.

The meeting was reopened at 10:57 a.m.

After discussion, Mr. Mays made a motion to grant **Lisa M. Mills** an on-duty, Combined Pension Plan, Group B disability benefit, subject to the System's right under the Board-approved disability procedure to require Ms. Mills to undergo future medical examination(s) to determine if the disability still exists or if recovery has been made to the point that Ms. Mills is able to return to duty, or two years, whichever is sooner. Ms. Mills is subject to the Annual Earnings Test Review as she was hired and suffered a disability after May 1, 1990. Mr. Shaw seconded the motion, which was approved by the following vote:

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

Opposed: McCollum

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7. Policy to Permit Payments Directly to Special Needs Trusts of Payees other than Disabled Dependents

Mr. Tettamant stated that this proposal was presented to the Board at the April 10, 2008 meeting and is back before the Board today after a request for more information about special needs trusts, how they work and how they might affect the Plan. The proposal is that the Board allow direct payments of benefits to the trustees of special needs trusts – trusts created to help Members gain eligibility for government-provided medical assistance – primarily Medicaid. Special needs trusts are only available to persons who qualify for social security disability. This action would not result in any additional costs to the System.

Staff provided the proposed policy and information related to the specific questions raised at the last Board meeting.

The Special Needs Trust Resolution is included in Minute Book Number 37 on pages ____.

**RESOLUTION OF THE BOARD OF TRUSTEES OF
THE DALLAS POLICE AND FIRE PENSION SYSTEM**

WHEREAS, Section 9.03(d) of the Combined Pension Plan for the Dallas Police and Fire Pension System (Combined Pension Plan) provides that the Board of Trustees ("Board") may adopt policies to provide for the direct deposit of benefit payments if uniformly applied to a voluntary arrangement made by a payee so long as the arrangement is not an attachment, garnishment, levy, execution or other legal process; and

WHEREAS, the Combined Pension Plan currently provides in Sections 6.06(m) and 9.03(c) for direct payment to the trustee of a supplemental needs or special needs trust (or comparable trust) established for the benefit of an unmarried child who is a Qualified Survivor and deemed to be handicapped by the Board; and

WHEREAS, the Board believes that there is no reason to limit such payments to supplemental needs or special needs trusts established only for the benefit of unmarried handicapped children who are Qualified Survivors, but that such trusts may be beneficial to other payees of the System.

NOW THEREFORE, BE IT RESOLVED, that effective May 8, 2008, it shall be the policy of the Board pursuant to Section 9.03(d) of the Combined Pension Plan that any payee who is receiving benefits under the Combined Pension Plan may direct that benefit payments be made directly to the trustee of a bona fide supplemental needs or special needs trust (or comparable trust) for the payee's benefit provided the arrangement is not an attachment, garnishment, levy, execution or other legal process and that it complies with any applicable Internal Revenue Service requirements. The Administrator may determine the process and requirements for accepting such arrangements.

DALLAS POLICE AND FIRE PENSION SYSTEM

By: THE BOARD OF TRUSTEES ON BEHALF
OF THE DALLAS POLICE AND FIRE
PENSION SYSTEM

By: EF GH

Name: Gerald Brown

Title: Chairman of and on behalf of the Board
of Trustees

ATTEST:

ABCD

Richard L. Tettamant, Administrator

APPROVED AS TO FORM:

Legal

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7. Policy to Permit Payments Directly to Special Needs Trusts of Payees other than Disabled Dependents (continued)

After discussion, Mr. Edge made a motion to approve a Board resolution to permit payments directly to special needs trusts of payees, subject to final approval of the Administrator and Legal Counsel. Mr. McCollum seconded the motion, which was unanimously approved by the Board.

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8. 2006 audit report

The Administrator and Chief Financial Officer gave an update to the Board on the 2006 financial audit, which the Board had approved at the April 10 meeting, with modifications.

After discussion, Mr. Wachsman made a motion to accept the final 2006 audit. Mr. Edge seconded the motion, which was unanimously approved by the Board.

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9. 2007 actuarial valuation

Richard Mackesey and Ryan Falls of Buck Consultants, Inc., the System's actuary, were present to discuss the actuarial valuation as of January 1, 2008.

After discussion, Mr. Wachsman made a motion to receive and file the 2007 actuarial valuation. Mr. Tomasovic seconded the motion, which was unanimously approved by the Board.

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

- a. Conference: Napa Executive Board Meeting**
Dates: April 16, 2008 (via teleconference)

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

- b. Conference: TLFFRA Peer Review Training**
Dates: April 17-18, 2008

Mr. Shaw reported on the training session.

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

c. Conference: TAPPA Meeting

Dates: April 25, 2008

Messrs. Davenport and Goodsell briefed the Board on the meeting.

d. Conference: Texas Pension Review Board (PRB) Regional Seminar

Dates: May 2, 2008

Messrs. Shaw, Umlor, Wachsmann, Tettamant, Rohan, and Taylor reported on the meeting.

After discussion, Mr. Umlor made a motion to receive and file the reports on due diligence meetings, seminars and/or conferences attended. 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. No motion was made.

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2. Administrator's report

- a. Custodial bank/consultants update
- b. Investment managers update
- c. Professional services providers update
- d. 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 briefed the Board on the investment managers and professional services providers, and other current developments relating to the Pension System.

**Regular Board Meeting
Thursday, May 8, 2008**

2. Administrator's report (continued)

The meeting was recessed at 12:03 p.m.

The meeting was reconvened at 12:06 p.m.

The meeting was moved to 4100 Harry Hines for an inspection of the System's new office location.

Mr. Wachsman 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.

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. Tomasovic and a second by Mr. Edge, the meeting was adjourned at 1:33 p.m.

[Signature]

Gerald Brown
Chairman

ATTEST:

[Signature]

Richard L. Tettamant
Secretary