

AGENDA



Date: 8/6/2009 3:47 PM

A quarterly meeting of the Dallas Police and Fire Pension System Board of Trustees will be held at **8:30 a.m. on Tuesday, August 11, 2009 in the Second Floor Board Room at 4100 Harry Hines Boulevard, Dallas, Texas.** Items of the following agenda will be presented to the Board:

DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR INDIVIDUAL CONSIDERATION

- 1. Reports and recommendations of NEPC, including, but not limited to the following:**
 - a. Quarterly investment performance report for the second quarter ended June 30, 2009
 - b. Fourth Quarter 2008 Private Markets Review
 - c. Commodities and managed futures education presentation
- 2. Recognition award to Representative Vicki Truitt**
- 3. Pension-related legislative issues**
 - a. Pending legislation
 - b. Hillco Partners - client advisory on state and local legislative issues – legislative update
 - c. Locke Lord Bissell & Liddell LLP – client advisory on federal and state legislative issues
- 4. Selection of a Global Growth Manager, which will include the following:**
 - a. NEPC overview
 - b. Calamos Advisors LLC interview
 - c. Walter Scott & Partners Limited interview
 - d. Deliberation

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
Tuesday, August 11, 2009
8:30 a.m.
4100 Harry Hines Blvd., Suite 100
Second Floor Board Room
Dallas, Texas

Quarterly meeting, Gerald Brown, Chairman, presiding:

ROLL CALL

Board Members

Present: Gerald Brown, Rector C. McCollum, Richard A. Salinas, Steven G. Shaw, George Tomasovic, Steven H. Umlor, and Richard H. Wachsman

Absent: Jerry R. Allen, Dwaine R. Caraway, John M. Mays, Pauline Medrano, and David A. Neumann

Staff

Richard Tettamant, Don Rohan, Brian Blake, Everard Davenport, Josh Mond, Mike Taylor, Pat McGennis, John Holt, Talal Ellass, Larry Landfried, Greg Irlbeck, Christina Wu, and Linda Rickley

Others

Rhett Humphreys, Jeff Markarian, Jason Dubrovay, State Representative Vicki Truitt, Yuniedth Midence-Steen, Clint Smith, John P. Calamos, Sr., Martin Coughlan, Dr. Kenneth Lyall, and Jeremy Banks

* * * * *

The meeting was called to order at 8:30 a.m.

* * * * *

DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR INDIVIDUAL CONSIDERATION

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

- a. Quarterly investment performance report for the second quarter ended June 30, 2009
- b. Fourth Quarter 2008 Private Markets Review
- c. Commodities and managed futures education presentation

**Quarterly Board Meeting
Tuesday, August 11, 2009**

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

- a. Rhett Humphreys, CFA, Partner, and Jeff Markarian, Research Consultant from NEPC, the System's general investment consultant, presented the quarterly investment performance for the second quarter ended June 30, 2009.

The investment performance "Flash" Report for the second quarter 2009 (net) is summarized in the following chart:

	Second Quarter 2009	1-year	3-year	5-year
Total Fund (gross)	9.2%	-20.1%	-1.6%	4.3%
Total Fund (net)	9.2%	-20.4%	-2.0%	3.8%
Financial Composite*	19.0%	-28.9%	-6.3%	0.7%

* Financial Composite excludes the Real Estate and Private Asset Managers.

After discussion, Mr. Shaw made a motion to receive and file the quarterly investment performance for the second quarter ended June 30, 2009. Mr. Tomasovic seconded the motion, which was unanimously approved by the Board.

- b. Messrs. Humphreys and Markarian also discussed the Fourth Quarter 2008 Private Markets Review.

After discussion, Mr. Wachsman made a motion to receive and file the Fourth Quarter 2008 Private Markets Review. Mr. Umlor seconded the motion, which was unanimously approved by the Board.

- c. Mr. Dubrovay, of NEPC, presented an educational session on commodities and managed futures.

After discussion, Mr. Shaw made a motion to receive and file the educational presentation on commodities and managed futures. Mr. Tomasovic seconded the motion, which was unanimously approved by the Board.

* * * * *

The meeting was recessed at 9:58 a.m.

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

**Quarterly Board Meeting
Tuesday, August 11, 2009**

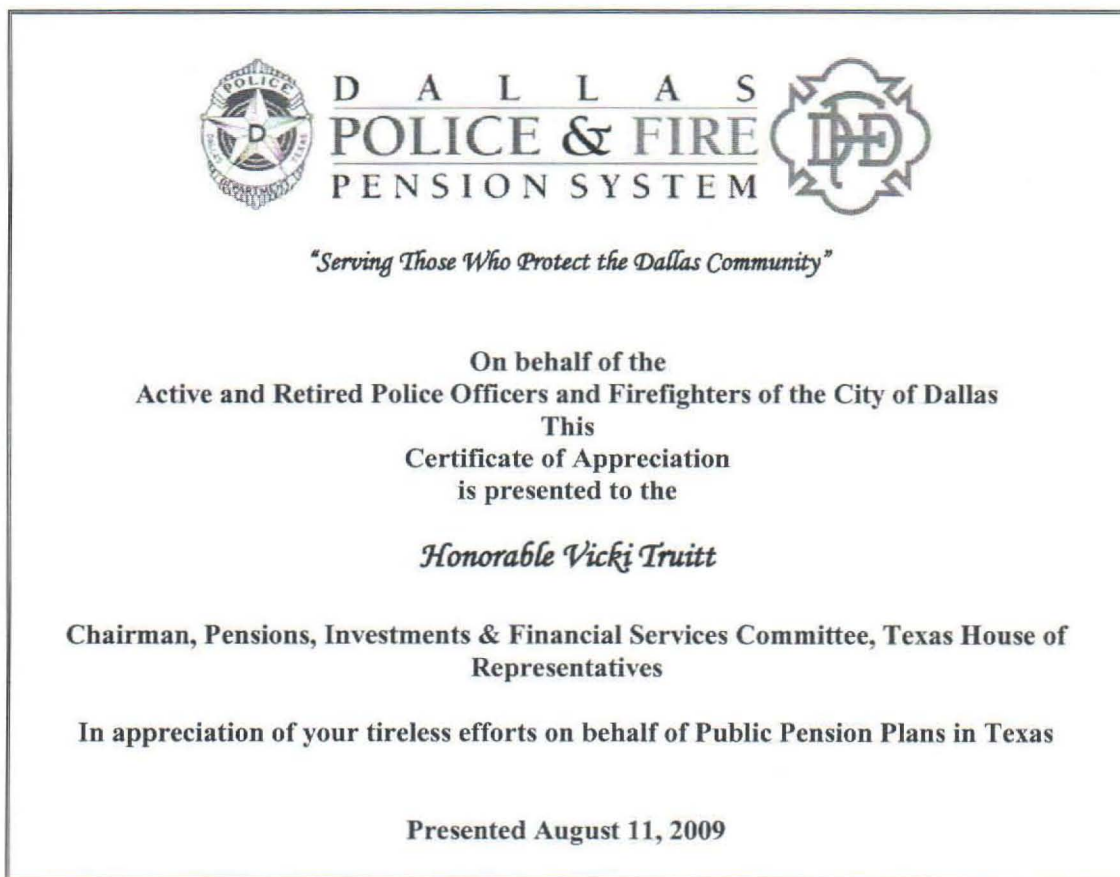
* * * * *

2. Recognition award to Representative Vicki Truitt

Mr. Tettamant stated that Representative Vicki Truitt is in her sixth term representing District 98 in the Texas House of Representatives. She is the current Chairman of Texas House of Representatives' Committee on Pensions, Investments and Financial Services, and is a member of the House Committee on Public Health. Prior to ascending to the chair of Pensions, Investments and Financial Services, Ms. Truitt was Chairman of Budget and Oversight for the House Committee on Public Health, Vice Chairman of the prestigious Sunset Advisory Commission, and a member of the State's budget writing Appropriations Committee.

During her tenure in the State Legislature, Ms. Truitt has shown herself to be a true friend to the public pension plans in Texas, especially public safety employees.

Mr. Brown, Chairman, and Mr. Tettamant presented a plaque to Ms. Truitt from the Board in recognition of her service to the State and its public employees. The plaque text is shown below:



**Quarterly Board Meeting
Tuesday, August 11, 2009**

2. Recognition award to Representative Vicki Truitt (continued)

Ms. Yuniedth Midence-Steen of Locke Lord Bissell & Liddell LLP and Mr. Clint Smith, of Hillco Partners, the System's legislative consultants, were present during the recognition ceremony.

After discussion, Mr. Shaw made a motion to acknowledge the award presentation. Mr. Tomasovic seconded the motion, which was unanimously approved by the Board.

* * * * *

3. Pension-related legislative issues

- a. Pending legislation
- b. Hillco Partners - client advisory on state and local legislative issues – legislative update
- c. Locke Lord Bissell & Liddell LLP – client advisory on federal and state legislative issues

No discussion was held. No motion was made.

* * * * *

The meeting was recessed at 11:00 a.m.

The meeting was reconvened at 11:45 a.m.

* * * * *

4. Selection of a Global Growth Manager, which will include the following:

- a. NEPC overview
- b. Calamos Advisors LLC interview
- c. Walter Scott & Partners Limited interview
- d. Deliberation

Rhett Humphreys, CFA, Partner, and Jeff Markarian, Research Consultant, from NEPC, the System's general investment consultant, presented an overview of the global growth manager search. At the June 16, 2009 meeting, the Board selected Calamos Advisors LLC and Walter Scott & Partners Limited to be reviewed at the August 11, 2009 meeting for selection as a possible global growth manager.

John P. Calamos, Sr., Chairman, CEO/CIO and Martin Coughlan, CFA, Senior Vice President, Portfolio Specialist, from Calamos Advisors LLC, discussed their global growth investment product. Calamos Asset Management Inc. (CLMS) is a public company which owns Calamos Advisors LLC.

**Quarterly Board Meeting
Tuesday, August 11, 2009**

4. Selection of a Global Growth Manager (continued)

Dr. Kenneth Lyall, Chairman, from Walter Scott & Partners Limited, and Jeremy Banks, from BNY Mellon Asset Management Company, discussed their global growth investment product. Walter Scott & Partners Limited is a wholly-owned subsidiary of BNY Mellon Asset Management Company. BNY Mellon Asset Management Company is a subsidiary of the Bank of New York Mellon Corporation (BK), a publicly traded company. In addition, the BNY Mellon Asset Management Company owns Mellon Capital Management, one of the System's current Global Asset Allocation managers.

The Board, staff, and NEPC deliberated regarding the two investment manager presentations.

After discussion, Mr. Umlor made a motion to hire Walter Scott & Partners Limited as a global growth manager, 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. Shaw seconded the motion, which was unanimously approved by the Board.

* * * * *

The Administrator stated that there was no further business to come before the Board. On a motion by Mr. Wachsman and a second by Mr. McCollum, the meeting was adjourned at 2:24 p.m.

[signature]

Gerald Brown
Chairman

ATTEST:

[signature]

Richard L. Tettamant
Secretary