

AGENDA



Date: April 2, 2009

The regular meeting of the Dallas Police and Fire Pension System Board of Trustees will be held at **8:30 a.m. on Thursday, April 9, 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:

A. CONSENT AGENDA

1. Approval of Minutes

Regular meeting of March 12, 2009

2. Approval of Five-Year Certificates for the First Quarter 2009

Fire

Scott R. Clumpner	Feb. 18, 2009
Russell L. Creager	Feb. 11, 2009
Adam Davis	Feb. 18, 2009
William J. Davis	Mar. 4, 2009
Jonathan C. Edman	Feb. 18, 2009
Jason L. Genn	Feb. 18, 2009
Luis A. Grimaldo	Feb. 23, 2009
Elias Hernandez	Feb. 11, 2009
Michael J. Holen	Feb. 18, 2009
George S. Hughes	Mar. 10, 2009
Michael D. Hutsell	Feb. 18, 2009
Marcus D. Johnson	Feb. 18, 2009
Kelly K. Kovar	Feb. 11, 2009
Marc W. Matson	Feb. 18, 2009
Kevin A. Meister	Feb. 18, 2009
Russell A. Pate	Feb. 18, 2009
Marshall L. Pettway	Feb. 18, 2009
Russell L. Quattlebaum	Feb. 18, 2009
James R. Royer	Feb. 18, 2009
Nicholas S. Sasso	Feb. 18, 2009
Delisa A. Seals	Oct. 7, 2008
Steven C. Sidereas	Feb. 18, 2009
Jason E. Smith	Feb. 18, 2009
Jesus H. Ventura	Feb. 18, 2009

**2. Approval of Five-Year Certificates for the First Quarter 2009
(continued)**

Police

Michael D. Bui	Feb. 27, 2009
An J. Cao	Feb. 27, 2009
Brian C. Emerson	Feb. 27, 2009
Diana Espinoza	Feb. 27, 2009
Jessica E. Fortier	Feb. 27, 2009
David G. Grant	Feb. 27, 2009
Otha Hampton	Feb. 27, 2009
Sherri N. Herman	Mar. 1, 2009
Gerardo A. Huante	Feb. 19, 2009
Felisha S. Malone	Dec. 6, 2007
Melissa D. Miller	Feb. 27, 2009
Michael W. Mosher	Feb. 27, 2009
Marcus D. Pierce	Feb. 27, 2009
Latoya K. Porter	Feb. 27, 2009
Horacio Quiroz	Feb. 27, 2009
Brian S. Rowden	Feb. 27, 2009
Marqueon L. Skinner	Feb. 27, 2009
Maria F. Torres	Feb. 27, 2009
Mavin J. Tyler	Feb. 27, 2009
Christopher L. Walton	Feb. 27, 2009

3. Approval of Refunds of Contributions for the Month of March 2009

4. Approval of Activity in the Deferred Retirement Option Plan (DROP) for April 2009

5. Approval of Estate Settlements

Deceased (Member (P) or Survivor (S))	Dept.	Date Of Death	Estate Payment To
Don B. Adams(P)	Fire	Jan. 21, 2009	Donita L. Sanders David N. Adams Bruce G. Adams Jan M. Swanson
Flo D. Rawlinson(S)	Fire	Jan. 20, 2009	Jerry M. Rawlinson
Wanda L. Warren(S)	Fire	Jan. 19, 2009	Linda Reeder Patricia Ruyle Michelle McGraw
Leonora Bailey(S)	Police	Jan. 15, 2009	Edward L. Bailey
James S. Wright(P)	Police	Feb. 13, 2009	Viola Caddell
Marie B. Zook(S)	Police	Dec. 4, 2008	Thomas A. Zook Donna Rolater Steve Zook Tina E. Jackson

6. Approval of Survivor Benefits – Deceased Active Member

Deceased Member	Dept.	Date Of Death	Qualified Survivor
James G. Westbrook	Police	Feb. 21, 2009	Lindee L. Westbrook

7. Approval of Survivor Benefits - Deceased Retirees

Deceased Retiree	Dept.	Date Of Death	Qualified Survivor	Estate Payment
William A. McDonald	Fire	Feb. 19, 2009	Mary E. McDonald	Yes

8. Approval of Service Retirements

Member	Dept.	Effective
James F. Anderson	Fire	Mar. 31, 2009
Larry Bassett	Fire	Mar. 18, 2009
Charles S. Bell	Fire	Apr. 1, 2009
Bernardo Croitoru	Fire	Mar. 11, 2009
James C. Jackson	Fire	Mar. 14, 2009
Patrick Genovese	Police	Mar. 18, 2009
Grover S. Howell	Police	Apr. 1, 2009
William R. Langston	Police	Apr. 1, 2009
Stephen W. Ledbetter	Police	Apr. 1, 2009
Elmer V. Reedy	Police	Jan. 28, 2009
Joseph P. Richtsmeier	Police	Apr. 1, 2009
Peter A. Serrano	Police	Mar. 20, 2009
William J. Skinner	Police	Mar. 18, 2009
Teresa A. Turko	Police	Apr. 1, 2009
James A. Wallace	Police	Apr. 1, 2009

9. Approval of Alternate Payee Benefits

Alternate Payee	Member	Dept.
Carla De Shawn Barclay	Darryl L. Barclay	Police

B. DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR INDIVIDUAL CONSIDERATION

1. 2009 Trustee Election

- a. Certify regular and special election results
- b. Welcome new Fire Trustee, Place #F-2, if special election run-off is not necessary
- c. Call for a run-off election, if necessary
- d. Review and approve run-off ballot and election materials, if necessary

2. Sustainable Asset Management (SAM)

- a. Organizational update
- b. Status of existing portfolio and plans for future activities with regard to that portfolio

3. CDK Realty Advisors

- a. Update and possible action on parcel in Arizona
- b. Status of existing portfolio and plans for future activities with regard to that portfolio

4. Bridgewater Associates, Inc.

- a. Organizational update
- b. Status of existing portfolio and plans for future activities with regard to that portfolio

5. GMO LLC

- a. Organizational update
- b. Status of existing portfolio and plans for future activities with regard to that portfolio

6. 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

7. Legal issues

Portions of the discussion under these topics may be closed to the public under the terms of Section 551.071 of the Texas Government Code:

Police Officer and Firefighter pay lawsuits

8. Pension-related legislative issues

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

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

- a. Napa Executive Board meeting
- b. TEXPERS 2009 Annual Conference
- c. Texas State Pension Review Board meeting

10. Employee recognition – First Quarter 2009

Employee of the Quarter Award

11. NCPERS Life Insurance Plan

12. Knudson Companies

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. Associations' newsletters
 - NCPERS The Monitor (February 2009)
 - NCPERS The Monitor (March 2009)
 - TEXPERS Outlook (March 2009)
- b. Letter from Texas Department of Transportation regarding the New LBJ Project.
- c. Future continuing education and investment research programs and conferences

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, April 9, 2009
8:30 a.m.
4100 Harry Hines Blvd., Suite 100
Second Floor Board Room
Dallas, Texas

Regular meeting, Gerald Brown, Chairman, presiding:

ROLL CALL

Board Members

Present: Jerry R. Allen, Gerald Brown, Gary W. Edge, John M. Mays, Rector C. McCollum, Pauline Medrano, David A. Neumann, Richard A. Salinas, Steven G. Shaw, George Tomasovic, Steven H. Umlor, and Richard H. Wachsman

Absent: Dwaine R. Caraway

Staff Richard Tettamant, Don Rohan, Brian Blake, Mike Taylor, Pat McGennis, John Holt, Jerry Chandler, Corina Terrazas, Larry Landfried, Greg Irlbeck, Christina Wu, and Linda Rickley

Others Gary Lawson, Josh Mond, Sandy Sinor, Dieter Küffer (by telephone), Kenneth Cooley, Jon Donahue, Brent Kroener, Patrick Dimick, Chris Doheny, Edmund Bellord, Phillip Bennett, Bill Robinson, Warren B. Wilson, and Wayne Antrobus

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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 March 12, 2009

2. Approval of Five-Year Certificates for the First Quarter 2009

Fire

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Adam Davis	Feb. 18, 2009
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**Regular Board Meeting
Thursday, April 9, 2009**

**2. Approval of Five-Year Certificates for the First Quarter 2009
(continued)**

Fire (continued)

Jason L. Genn	Feb. 18, 2009
Luis A. Grimaldo	Feb. 23, 2009
Elias Hernandez	Feb. 11, 2009
Michael J. Holen	Feb. 18, 2009
George S. Hughes	Mar. 10, 2009
Michael D. Hutsell	Feb. 18, 2009
Marcus D. Johnson	Feb. 18, 2009
Kelly K. Kovar	Feb. 11, 2009
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**Regular Board Meeting
Thursday, April 9, 2009**

3. Approval of Refunds of Contributions for the Month of March 2009

**Refund of Combined Pension Plan, Section 6.02 Group B
Contributions**

<u>EMPLOYEE NAME</u>	<u>DEPT.</u>	<u>REFUND DATE</u>
Larry J. Bankston	Police	Mar. 13, 2009
Daniel R. Borrero	Police	Mar. 6, 2009
Edward W. Mindieta	Police	Mar. 13, 2009

4. Approval of Activity in the Deferred Retirement Option Plan (DROP) for April 2009

New DROP Participants

<u>EMPLOYEE NAME</u>	<u>DEPT.</u>
Manuel A. Calderon, Jr.	Fire
Bernis J. Jackson, Jr.	Fire
Raymond M. Kitchen	Fire
John S. O'Glee	Fire
Brian A. Partington	Fire
Charles B. Smith	Fire
David L. Smith	Fire
Robert M. Verver	Fire
Bobby D. Wade	Fire
Edward J. Giampietro	Police
Mary E. Hershiser	Police
Robert Hinojo	Police
Wayne A. Nichols	Police
Kenneth M. Penrod	Police
Laura E. Penrod	Police
Charles R. Sheffield	Police

Transfer Funds from DROP to 401(k)

<u>Member</u>	<u>Dept.</u>
Rudolfo R. Fernandez	Fire
Artie C. Christian	Police

**Regular Board Meeting
Thursday, April 9, 2009**

5. Approval of Estate Settlements

Deceased (Member (M), Pensioner (P) or Survivor (S))	Dept.	Date Of Death	Estate Payment To
Don B. Adams(P)	Fire	Jan. 21, 2009	Donita L. Sanders David N. Adams Bruce G. Adams Jan M. Swanson
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Wanda L. Warren(S)	Fire	Feb. 19, 2009	Linda Reeder Patricia Ruyle Michelle McGraw
Leonora Bailey(S)	Police	Jan. 15, 2009	Edward L. Bailey
James S. Wright(P)	Police	Feb. 13, 2009	Viola Caddell
Marie B. Zook(S)	Police	Dec. 4, 2008	Thomas A. Zook Donna Rolater Steve Zook Tina E. Jackson

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Grover S. Howell	Police	Apr. 1, 2009
William R. Langston	Police	Apr. 1, 2009
Stephen W. Ledbetter	Police	Apr. 1, 2009

**Regular Board Meeting
Thursday, April 9, 2009**

8. Approval of Service Retirements (continued)

Member	Dept.	Effective
Elmer V. Reedy	Police	Jan. 28, 2009
Joseph P. Richtsmeier	Police	Apr. 1, 2009
Peter A. Serrano	Police	Mar. 20, 2009
William J. Skinner	Police	Mar. 18, 2009
Teresa A. Turko	Police	Apr. 1, 2009
James A. Wallace	Police	Apr. 1, 2009

9. Approval of Alternate Payee Benefits

Alternate Payee	Member	Dept.
Carla De Shawn Barclay	Darryl L. Barclay	Police

After discussion, Mr. Wachsmann made a motion to approve the items on the Consent Agenda, subject to the final review and approval of the Administrator. Mr. Mays 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. 2009 Trustee Election

- a. Certify regular and special election results
- b. Welcome new Fire Trustee, Place #F-2, if special election run-off is not necessary
- c. Call for a run-off election, if necessary
- d. Review and approve run-off ballot and election materials, if necessary

Mr. Tettamant stated that at the January 8, 2009 meeting, the Board called an election to fill four Trustee positions that expire on June 1, 2009:

Police Trustee Place P-1	Police Pensioner Trustee Place 1
Fire Trustee Place F-1	Fire Pensioner Trustee Place 1

The Board also called a special election to fill the expiring term of Fire Trustee Gary Edge (Fire Trustee Place F-2) who resigned.

**Regular Board Meeting
Thursday, April 9, 2009**

1. 2009 Trustee Election (continued)

The notarized results of the 2009 Trustee Election as reported by Voice Retrieval and Information Services, Inc. and the Pension System Administrator are as follows:

<u>Police Trustee #P-1</u>	<u>Votes Received</u>	<u>Percent (%)</u>
Steve Umlor	454	75 %
Eric Jez	<u>150</u>	<u>25 %</u>
Total	604	100 %

Steve Umlor received a majority of the votes cast and is elected as Police Trustee Place #P-1, for the term of office from June 1, 2009 through May 31, 2013.

Fire Trustee #F-1

Gerald Brown was unopposed for Fire Trustee Place #F-1; therefore, according to the Trustee Election Procedures, no election was held for that trustee place and he is deemed elected as Fire Trustee Place #F-1 for the term of office from June 1, 2009 through May 31, 2013.

Police Pensioner Trustee #1

John M. Mays was unopposed for Police Pensioner Trustee Place #1; therefore, according to the Trustee Election Procedures, no election was held for that trustee place and he is deemed elected as Police Pensioner Trustee Place #1 for the term of office from June 1, 2009 through May 31, 2013.

Fire Pensioner Trustee #1

Richard Wachsman was unopposed for Fire Pensioner Trustee Place #1; therefore, according to the Trustee Election Procedures, no election was held for that trustee place and he is deemed elected as Fire Pensioner Trustee Place #1 for the term of office from June 1, 2009 through May 31, 2013.

SPECIAL ELECTION (To fill the unexpired term of Gary Edge, who resigned)

<u>Fire Trustee #F-2</u>	<u>Votes Received</u>	<u>Percent (%)</u>
Rick Salinas	356	53 %
Rick Lee	115	17 %
Michael Buehler	86	13 %
Greg Sturch	82	12 %
James Braddock	22	3 %
Dicky Ewing	<u>9</u>	<u>1 %</u>
Total	670	100 %*

Rick Salinas received a majority of the votes cast and is elected as Fire Trustee Place #F-2, for the remainder of the term of office through May 31, 2011.

**Regular Board Meeting
Thursday, April 9, 2009**

1. 2009 Trustee Election (continued)

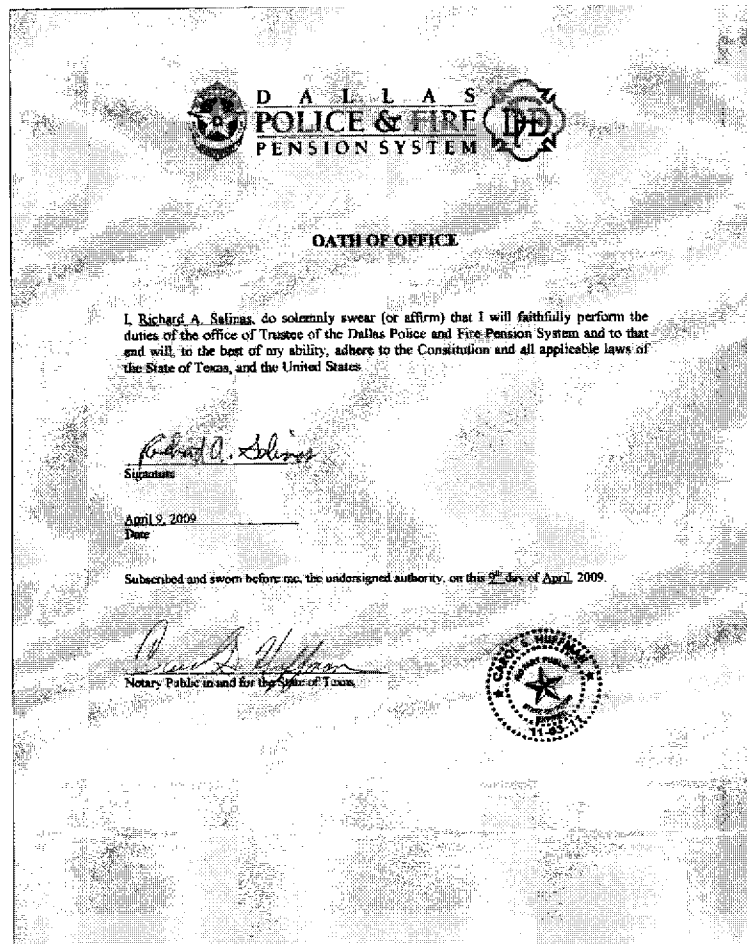
* Rounding error

After discussion, Mr. McCollum made a motion to certify the results of the 2009 Trustee Election and Special Election. Mr. Wachsman seconded the motion, which was unanimously approved by the Board.

No run-off election is necessary.

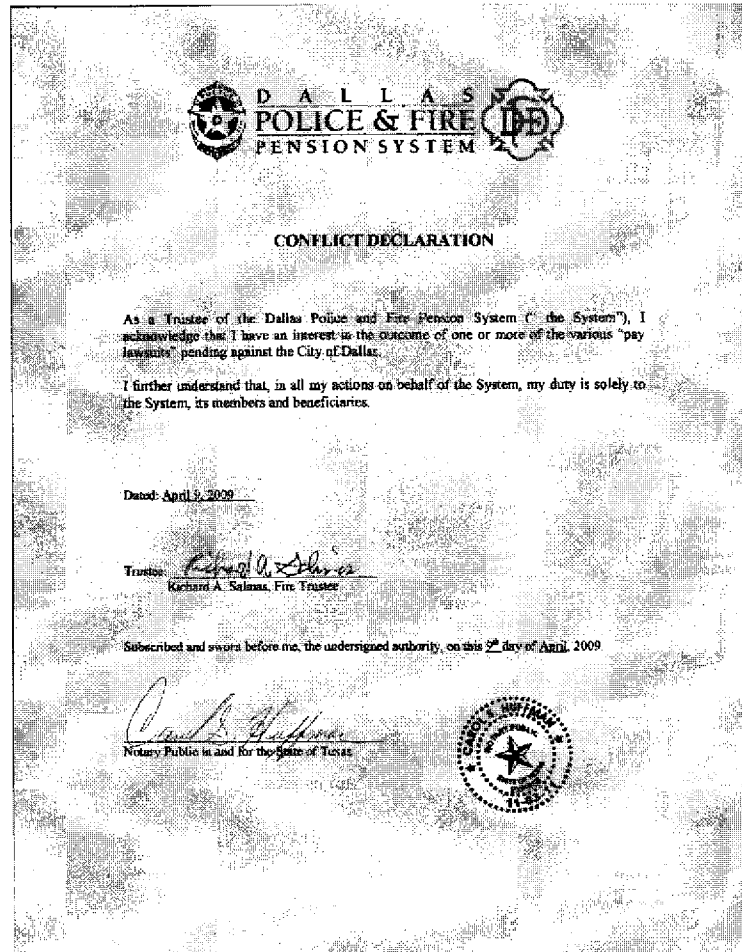
Mr. Brown, Chairman, thanked Mr. Edge for his 14 years of service as a Trustee of the Board.

Mr. Richard A. Salinas completed the notarized Oath of Office form and the Conflict Declaration form and commenced his duties as Fire Trustee Place F-2.



**Regular Board Meeting
Thursday, April 9, 2009**

1. 2009 Trustee Election (continued)



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2. Sustainable Asset Management (SAM)

- a. Organizational update
- b. Status of existing portfolio and plans for future activities with regard to that portfolio

Sandy Sinor, Principal, of Robeco Investment Management, was present, and Dieter Küffer, Senior Portfolio Manager, Sustainable Asset Management, participated by telephone to discuss the status of the existing portfolio, current returns, and plans for future activities with regard to the portfolio. Robeco is one of the System's global natural resources advisors and manages approximately \$20,400,000 in net equity for the fund in the Sustainable Asset Management product (SAM).

After discussion, Mr. Shaw made a motion to receive and file the SAM organizational update and portfolio review. Mr. Umlor seconded the motion, which was unanimously approved by the Board.

Regular Board Meeting
Thursday, April 9, 2009

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3. CDK Realty Advisors

- a. Update and possible action on parcel in Arizona
- b. Status of existing portfolio and plans for future activities with regard to that portfolio

Kenneth Cooley, Jon Donahue, and Brent Kroener, from CDK Realty Advisors, one of the System's real estate advisors, were present to give an update and discuss possible action on a parcel in Arizona, as well as discuss the status of the existing portfolio and plans for future activities with regard to that portfolio.

The Board went into closed executive session – real estate at 9:58 a.m.

The meeting was reopened at 10:47 a.m.

No motion was made in open session.

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The meeting was recessed at 10:50 a.m.

The meeting was reconvened at 11:01 a.m.

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4. Bridgewater Associates, Inc.

- a. Organizational update
- b. Status of existing portfolio and plans for future activities with regard to that portfolio

Patrick Dimick, Portfolio Strategist, and Chris Doheny, Senior Client Advisor, from Bridgewater Associates, Inc. were present to discuss the status of the existing portfolio and plans for future activities with regard to that portfolio. Bridgewater has been one of the System's global asset allocation advisors since July 2007 and manages approximately \$42,500,000 for the fund in the All Weather portfolio. Bridgewater was founded by Ray Dalio and the company has been a leader in managing assets in specialized strategies such as Pure Alpha and All Weather. As of October 2008, Bridgewater has changed their risk parity investment management concept to a more conservative investment management approach under the current economic environment. The portfolio returned -24.09% for 2008, and 0.29% and -0.48% for January and February 2009, respectively.

After discussion, Mr. Shaw made a motion to receive and file the Bridgewater organizational update and portfolio review. Mr. Tomasovic seconded the motion, which was unanimously approved by the Board.

**Regular Board Meeting
Thursday, April 9, 2009**

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

The meeting was reconvened at 12:32 p.m.

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5. GMO, LLC

- a. Organizational update
- b. Status of existing portfolio and plans for future activities with regard to that portfolio

Edmund Bellord, Portfolio Manager, from the asset allocation team, participated by telephone conferencing, and Phillip Bennett, Client Relationship Manager, was present to discuss the status of the existing portfolio and plans for future activities with regard to that portfolio. GMO is one of the System's global asset allocation advisors and manages approximately \$44.1 million in equity for the fund. The company's founder, Jeremy Grantham, is well known as an investment advisor who actively manages diversified portfolios in a global asset allocation product known as Real Return Global Balanced. The Advisor has outperformed their benchmark since inception by 13.58%.

Performance as of 02/28/2009:						
	<u>Month</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>Since Inception</u>
Total Asset Allocation (08/31/2007)	- 2.95	-6.36 %	-14.73%	N/A	N/A	-9.11%
<i>Policy Benchmark</i> (60% MSCI World/20% Barclays Capital US Aggregate/20% Citigroup 3 Mo. T-Bill)	-6.21%	-11.31%	-30.54%	N/A	N/A	-22.69%
Value Added	3.26%	4.95%	15.81%	N/A	N/A	13.58%

After discussion, Mr. Shaw made a motion to receive and file the GMO organizational update and portfolio review. Mr. Umlor seconded the motion, which was unanimously approved by the Board.

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**Regular Board Meeting
Thursday, April 9, 2009**

6. 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

The Asset Allocation Monitoring Reports and the Real Estate Portfolio Reports for April 2009 are included in Minute Book Number 39 on pages 204 & 205.

Staff discussed the above reports with the Board and reported the following:

There is a cash need for \$15,000,000. Staff recommends withdrawing \$7,500,000 from INTECH Large Cap Growth, and \$7,500,000 from T Rowe Price Large Cap Growth.

After discussion, Mr. Wachsman made a motion to approve the April 2009 monthly asset allocation report and approve the staff recommendations. Mr. Tomasovic seconded the motion, which was unanimously approved by the Board.

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

After discussion, Mr. Wachsman made a motion to receive and file the monthly financial statements for the period ending February 28, 2009. Mr. Mays seconded the motion, which was unanimously approved by the Board.

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7. Legal issues

Portions of the discussion under these topics may be closed to the public under the terms of Section 551.071 of the Texas Government Code:

Police Officer and Firefighter pay lawsuits

Mr. Tettamant stated there that was no change in the status of the pay lawsuits.

No motion was made.

DALLAS POLICE & FIRE GROUP TRUST

As of April 3, 2009

ASSET ALLOCATION

Asset Class		Target		Actual		Range		Differen
		\$	%	\$	%	Min	Max	Target
Global Equity								
S & P Enhanced Index	INTECH	0.00	0.00%	31.27	1.22%	0.00	0.00	31.27
Global Equity with Growth Tilt	T Rowe Price	0.00	0.00%	38.03	1.48%	3.00	5.00	38.03
Large Cap Growth	INTECH	0.00	0.00%	34.92	1.36%	0.00	0.00	34.92
Large Cap Growth	T Rowe Price	0.00	0.00%	38.11	1.48%	0.00	0.00	38.11
Large Cap Value	AllianceBernstein	0.00	0.00%	36.36	1.41%	0.00	0.00	36.36
Domestic Small Capitalization Core Equity	Fagle Asset Management	128.57	5.00%	103.76	4.04%	4.00	6.00	(24.81)
Global Growth Equity	Clay Finlay	0.00	0.00%	69.61	2.71%	3.00	5.00	69.61
Select Global Equity Core	Pyramis (Fidelity)	0.00	0.00%	135.58	5.27%	3.00	5.00	135.58
Strategic Value Global Equity	AllianceBernstein	102.86	4.00%	29.73	1.16%	3.00	5.00	(73.13)
Global Growth Equity	OFI	102.86	4.00%	47.32	1.84%	3.00	5.00	(55.54)
Global REIT	RREEF	51.43	2.00%	18.10	0.70%	1.00	3.00	(33.33)
Total Global Equity		385.71	27.00%	582.79	22.66%			197.08
Global Private Equity								
	NTOF	0.00	Committed	3.00	0.12%	0.00	0.00	0.00
	Huff Alternative Fund	100.00	Committed	78.90	3.07%	0.00	0.00	0.00
	Merit Energy	55.00	Committed	15.07	0.59%	0.00	0.00	0.00
	Levine Leichtman Capital Partners	75.00	Committed	21.77	0.85%	0.00	0.00	0.00
	Levine Leichtman Capital Partners IV	50.00	Committed	5.54	0.22%	0.00	0.00	0.00
	Huff Energy Fund LP	100.00	Committed	50.26	1.95%	0.00	0.00	0.00
	Lone Star Growth Capital	16.00	Committed	13.26	0.52%	0.00	0.00	0.00
	Lone Star CRA	50.00	Committed	15.00	0.58%	0.00	0.00	0.00
	JPMorgan Infrastructure	20.00	Committed	23.37	0.91%	0.00	0.00	0.00
	Pharos	90.00	Committed	71.06	2.76%	0.00	0.00	0.00
	Ashmore GSSF 4	70.00	Committed	62.09	2.41%	0.00	0.00	0.00
	JP Morgan Asian Infrastructure	36.00	Committed	6.89	0.27%	0.00	0.00	0.00
	HM Capital Partners	50.00	Committed	28.18	1.10%	0.00	0.00	0.00
	Yellowstone Capital	10.00	Committed	2.00	0.08%	0.00	0.00	0.00
	BankCap Partners	20.00	Committed	11.67	0.45%	0.00	0.00	0.00
Total Private Equity		385.71	15.00%	408.06	15.87%			22.35
Global Natural Resources								
Energy Equity	Orleans Capital	33.43	1.30%	26.55	1.03%	1.10	1.60	(6.88)
Energy Equity	Mitchell Group	33.43	1.30%	37.02	1.44%	1.10	1.60	3.59
Global Water Strategy	SAM	30.86	1.20%	23.01	0.89%	1.00	1.50	(7.85)
Global Environmental Technology Strategy	RCM	30.86	1.20%	22.20	0.86%	1.00	1.50	(8.66)
Agricultural Investments	Hancock Agricultural	46.28	1.80%	72.38	2.81%			
Domestic Timberland	Forest Investment Associates	41.14	1.60%	47.88	1.86%			
Global Timberland	RMK Timberland Group	41.14	1.60%	47.02	1.83%			
Total Global Natural Resources		257.14	10.00%	276.06	10.74%			18.92
Global Fixed Income								
High Yield Global Fixed Income	W.R. Huff High Yield	77.14	3.00%	73.69	2.87%	2.00	4.00	(3.45)
Opportunistic Global Fixed Income	Loomis Sayles	128.57	5.00%	122.12	4.75%	4.00	6.00	(6.45)
Investment Grade Global Fixed Income	Mondrian Investment Partners	64.28	2.50%	64.76	2.52%	2.00	3.00	0.48
Investment Grade Global Fixed Income	Brandywine	64.28	2.50%	65.24	2.54%	2.00	3.00	0.96
Senior Bank Loans	Oaktree	51.43	2.00%	42.73	1.66%			
Emerging Market Debt	Ashmore	51.43	2.00%	62.64	2.44%			
Senior Bank Loans	Highland Crusader Fund	51.43	2.00%	24.62	0.96%			
Multistrategy Private Debt	Highland Credit Opportunities, L.P	25.71	1.00%	3.15	0.12%			
Total Global Fixed Income		514.28	20.00%	458.95	17.85%			(55.33)
GAA								
Global Asset Allocation	Bridgewater	87.43	3.40%	42.27	1.64%	2.40	4.40	(45.16)
Global Asset Allocation	Mellon	84.86	3.30%	31.36	1.22%	2.30	4.30	(53.50)
Global Asset Allocation	GMO	84.86	3.30%	42.78	1.66%	2.30	4.30	(42.08)
Total GAA		257.14	10.00%	116.41	4.53%			(140.73)
REAL ESTATE								
Total Real Estate		462.85	18.00%	720.11	28.00%	16.00	20.00	257.26
SHORT TERM INVESTMENTS								
Total Assets		2,571.38	100.00%	2,571.38	100.00%			0.00

Dallas Police & Fire Group Trust
ASSET ALLOCATION AS OF 04/03/2009

Real Estate Portfolio

Real Estate Manager	Total Market Value	Loan Program	Net Equity	Percentage of Real Estate Assets
Separate Account Managers				
INVESCO	52,279,338	27,054,500	25,224,838	3.50%
Kennedy Associates	59,373,743	0	59,373,743	8.25%
L & B Real Estate Advisors LLP	121,857,380	36,120,000	85,737,380	11.91%
Capmark Investments (GMAC)	61,575,041	31,526,000	30,049,041	4.17%
Land Baron	106,732,491	94,656,987	12,075,504	1.68%
Criswell Radovan	72,348,896	24,000,000	48,348,896	6.71%
Luciana Lots	11,548,891	0	11,548,891	1.60%
CDK Realty Advisors	514,529,168	151,079,513	363,449,655	50.47%
Kundson Luxury Housing	57,773,613	45,000,000	12,773,613	1.77%
Subtotal	1,058,018,561	409,437,000	648,581,561	90.07%
Opportunistic Partnerships				
Hearthstone (MSIII Homebuilding)	0	0	0	0.00%
Crow Holdings Realty Partners II	144,044	0	144,044	0.02%
Oaktree Capital Management (OCM Fund B)	3,489,586	0	3,489,586	0.48%
Olympus Real Estate Fund II & III	5,461,445	0	5,461,445	0.76%
Hudson Advisors (Lone Star I, II, III,IV,V, VI, Real Estate)	62,434,600	0	62,434,600	8.67%
Subtotal	71,529,675	0	71,529,675	9.93%
Total Real Estate	1,129,548,236	409,437,000	720,111,236	100.00%

Total Real Estate with Loan Program (net) **\$720,111,236**

Total Fund Market Value **\$2,571,380,000**

\$

%

Target Value (\$ and %) **\$462,848,400**

18.00%

Market Value (\$ and %) **\$720,111,236**

28.00%

Variance from Target **\$257,262,836**

10.00%

**Regular Board Meeting
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8. Pension-related legislative issues

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

Mr. Tettamant reported on pending legislation that may affect the Pension System and similar entities. Additionally, the Board and staff discussed 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. Shaw seconded the motion, which was unanimously approved by the Board.

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

- a. **Conference: Napa Executive Board Meeting**
Dates: March 25, 2009

Messrs. Brown, Shaw, Tettamant, and Taylor briefed the Trustees on the Napa meeting.

- b. **Conference: TEXPERS 2009 Annual Conference**
Dates: March 28 – April 1, 2009

Reports were given by the some of the attendees, who were Messrs. Brown, Edge, Mays, McCollum, Shaw, Tomasovic, Umlor, Wachsman, Tettamant, Rohan, Blake, Taylor, and Davenport.

- c. **Conference: Texas State Pension Review Board meeting**
Dates: April 1, 2009

Messrs. Brown, Shaw, and Tettamant discussed the Pension Review Board meeting with the Trustees.

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

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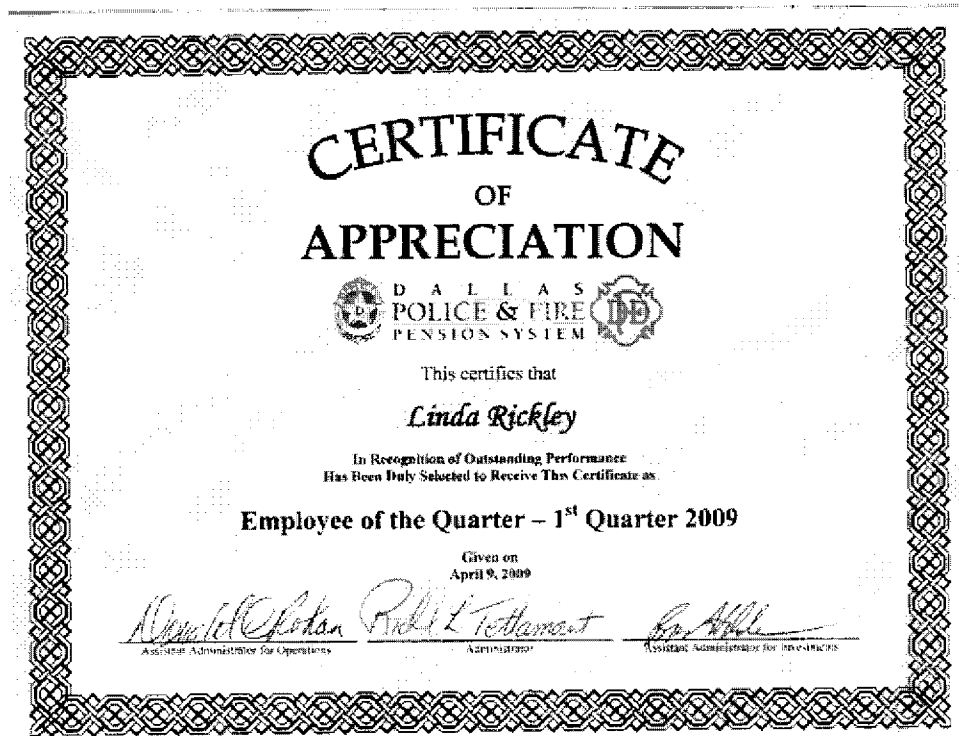
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10. Employee recognition – First Quarter 2009

Employee of the Quarter Award

Messrs. Brown and Tettamant recognized Linda Rickley, Board Coordination Manager, with a performance award for Employee of the Quarter, First Quarter 2009.

No motion was made.



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11. NCPERS Life Insurance Plan

Mr. Tettamant stated that NCPERS offers a supplementary survivor's benefit and insurance program to enhance the financial security of the members of its participating retirement systems. System staff looked into the program some time ago, but determined that a requirement at that time for payroll deduction made the program unworkable in Dallas. Effective in July, the program is changed to remove the payroll deduction requirement. This change would allow the System to offer the program to our active Members and Retirees if the Board determines that the program is viable and beneficial to our Members.

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11. NCPERS Life Insurance Plan (continued)

The plan is specially designed for retirement systems to provide Group Decreasing Term Life, Accidental Death & Dismemberment and Dependent Spouse/Domestic Partner Decreasing Term Life Insurance. The plan has no enrollment participation requirements in terms of number of enrollees required, age or health status.

NCPERS, which sponsors the plan, states that the plan is well designed and financially sound, with plan reserves committed to maximize benefits to participants. The plan is provided through Prudential Life Insurance Company and marketed for NCPERS by the Gallagher Benefits Administrators, Inc. A comparison of cost provided by Prudential shows a significant cost advantage of this plan over comparable benefits under another program. Because the plan is new, marketing materials are not yet ready.

There is no direct cost to the System. Premiums will be collected by the plan through ACH debit, payment coupon or other means without System involvement. The System may collect premiums from retirees' pension payments. The System's role will be to provide information to Gallagher to determine member eligibility and help coordinate marketing.

After discussion, Mr. Wachsman made a motion to authorize the Administrator to negotiate and enter into an agreement with Gallagher Benefits Administrators, Inc. to provide the NCPERS Life Insurance Plan to System Members and Retirees and to coordinate marketing with the City of Dallas. Mr. Umlor seconded the motion, which was unanimously approved by the Board.

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12. Knudson Companies

The Board went into closed executive session – legal at 2:35 p.m.

The meeting was reopened at 2:55 p.m.

No motion was made in open session.

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**Regular Board Meeting
Thursday, April 9, 2009**

C. BRIEFING ITEMS

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

No members or pensioners requested to brief the Board regarding concerns.

No motion was made.

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2. Administrator's report

- a. Associations' newsletters
 - NCPERS The Monitor (February 2009)
 - NCPERS The Monitor (March 2009)
 - TEXPERS Outlook (March 2009)
- b. Letter from Texas Department of Transportation regarding the New LBJ Project.
- c. Future continuing education and investment research programs and conferences

Mr. Tettamant briefed the Board on the Administrator's report items.

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

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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 3:27 p.m.

[signature]

Gerald Brown
Chairman

ATTEST:

[signature]

Richard L. Tettamant
Secretary

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