

**Dallas Police and Fire Pension System**  
**Thursday, November 10, 2011**  
**8:30 a.m.**  
**4100 Harry Hines Blvd., Suite 100**  
**Second Floor Board Room**  
**Dallas, TX**

Regular meeting, George J. Tomasovic, Chairman, presiding:

**ROLL CALL**

**Board Members**

Present: Samuel L. Friar, Delia D. Jasso, John M. Mays, David A. Neumann, Richard A. Salinas, George J. Tomasovic, Steven H. Umlor, Richard H. Wachsmen, Thomas White, Dan Wojcik

Absent: Jerry R. Allen (on City business), Sheffield Kadane (on City business)

**Staff**

Richard Tettamant, Don Rohan, Brian Blake, Mike Taylor, Talal Ellass, Josh Mond, John Holt, Corina Terrazas, Pat McGennis, Christina Wu, Greg Irlbeck, Linda Rickley

**Others**

Gary Lawson, Wayne Antrobus, George Eaton, Michael Falls, Fred Katani

\* \* \* \* \*

The meeting was called to order and recessed at 8:31 a.m.

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

\* \* \* \* \*

**A. CONSENT AGENDA**

**1. Approval of Minutes**

Regular meeting of October 13, 2011

**2. Approval of Refunds of Contributions for the Month of October 2011**

**Regular Board Meeting**  
**Thursday, November 10, 2011**

**A. CONSENT AGENDA (continued)**

- 3. Approval of Activity in the Deferred Retirement Option Plan (DROP) for November 2011**
- 4. Approval of Estate Settlements**
- 5. Approval of Survivor Benefits**
- 6. Approval of Service Retirements**
- 7. Approval of Alternate Payee Benefits**
- 8. Approval of Five-Year Certificates for the Third Quarter, 2011**

After discussion, Mr. Wachsman made a motion to approve the items on the Consent Agenda, subject to the final approval of the Administrator. Mr. Friar seconded the motion, which was unanimously approved by the Board.

\* \* \* \* \*

**B. DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR INDIVIDUAL CONSIDERATION**

**1. Pharos Capital Group, LLC**

Possible new investment

The Board and staff discussed the presentation given by Pharos Capital Group, LLC at the Investment Advisory Committee (IAC) on this date.

After discussion, Mr. Neumann made a motion to approve a \$50 million capital commitment to the Pharos Capital Partners III fund and authorized the Administrator to reform all necessary acts and exercise all appropriate discretion to consummate the documents and direct ongoing operations. Mr. Wachsman seconded the motion, which was unanimously approved by the Board.

\* \* \* \* \*

**Regular Board Meeting**  
**Thursday, November 10, 2011**

**2. Second reading of the 2012 Administrative and Professional Services Budgets**

The proposed Administrative and Professional Services Budgets for Fiscal Year 2012 were presented to the Board for review and comment at the September 8, 2011, meeting of the Board. First reading of the budgets was held at the October 13, 2011, Board meeting. At that time, the Board authorized the second reading of the budget at the November 10, 2011, regular meeting. The Administrative and Audit Advisory Committee (AAAC) also discussed a possible revision to the budget on this date.

After discussion, Mr. Umlor made a motion to approve the recommendation of the AAAC and give the Administrator authority to revise the performance incentive plan. Mr. Wachsman seconded the motion, which was approved by the following vote:

For: Tomasovic, Wachsman, Mays, Neumann, Jasso, Salinas, Umlor, Wojcik  
Against: Friar, White

\* \* \* \* \*

**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. Performance report unaudited draft
- d. Unaudited statements of net assets available for benefits

After discussion, Mr. Wachsman made a motion to receive and file all of the investment and financial reports listed above. Mr. Umlor seconded the motion, which was unanimously approved by the Board.

\* \* \* \* \*

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

Reports were given on the following meetings. Those who attended are listed.

- a. **Conference:** Society of Pension Professionals Meeting  
**Dates:** October 18, 2011

Messrs. White, Wojcik

**Regular Board Meeting**  
**Thursday, November 10, 2011**

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

- b. Conference:** Levine Leichtman Capital Partners Annual Meeting  
**Dates:** October 20-21, 2011

Mr. Blake

- c. Conference:** ASPO-USA: 2011 Peak Oil & Energy Conference  
**Date:** November 2-5, 2011

Messrs. White, Wojcik

- d. Conference:** IMN: Texas Economic Recovery Conference  
**Date:** November 7-8, 2011

Mr. Neumann

- e. Conference:** BankCap Annual Meeting  
**Date:** November 8-9, 2011

Messrs. White, Wojcik, Tettamant, Blake

- f. Conference:** INVESCO Real Estate Client Conference  
**Date:** November 8-10, 2011

Messrs. Salinas, Umlor

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

\* \* \* \* \*

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

The meeting was reconvened at 12:25 p.m.

\* \* \* \* \*

**Regular Board Meeting  
Thursday, November 10, 2011**

**5. Pension-related legislative issues**

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

The Board and staff discussed legislative issues and reports from legislative consultants.

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.

\* \* \* \* \*

**6. Legal issues**

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

Police Officer and Firefighter pay lawsuits

No legal issues briefing was given. No motion was made.

\* \* \* \* \*

**C. BRIEFING ITEMS**

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

No Active Members or Pensioners requested to discuss concerns with the Board.

\* \* \* \* \*

**2. Administrator's report**

- a. Associations' newsletters
  - TEXPERS Outlook (November 2011)
- b. Preview of new software application

**Regular Board Meeting**  
**Thursday, November 10, 2011**

**2. Administrator's report (continued)**

- c. Future continuing education and investment research programs and conferences

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

Mr. Salinas made a motion to receive and file the Administrator's Report. Mr. Neumann 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. Neumann, the meeting was adjourned at 12:44 p.m.

*[signature]*

---

George J. Tomasovic  
Chairman

**ATTEST:**

*[signature]*

---

Richard L. Tettamant  
Secretary