

Dallas Police and Fire Pension System
Thursday, February 9, 2012
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: Jerry R. Allen, Samuel L. Friar, Scott Griggs, Delia D. Jasso, Sheffield Kadane, John M. Mays, Richard A. Salinas, George J. Tomasovic, Steven H. Umlor, Richard H. Wachsman, Thomas White, Dan Wojcik

Absent: None

Staff

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

Others

David A. Neumann, Steven G. Shaw, W. B. Wilson, Wayne Antrobus, Richard Brown, Kevin Lynch, Gary Lawson

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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 January 12, 2012

2. Approval of Refunds of Contributions for the Month of January 2012

3. Approval of Activity in the Deferred Retirement Option Plan (DROP) for February 2012

4. Approval of Estate Settlements

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A. CONSENT AGENDA (continued)

- 5. Approval of Survivor Benefits**
- 6. Approval of Service Retirements**
- 7. Approval of Alternate Payee Benefits**
- 8. Approval of Payment of Military Contributions**
- 9. Spouse Wed After Retirement (SWAR)**

After discussion, Mr. Wachsman made a motion to approve the items on the Consent Agenda, subject to the final approval of the Administrator. Mr. Salinas 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. Recognition of former Trustee of the Dallas Police & Fire Pension System

Mr. Tomasovic, Chairman, on behalf of the Board, presented a plaque of appreciation to Mr. David Neumann for his dedicated service on the Board of Trustees as a representative of the City Council. Mr. Neumann served from January 2008, through December 2011.

No motion was made.

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2. Reports and recommendations of The Townsend Group, real estate investment consultants

- a. Quarterly real assets investment performance report for the third quarter ended September 30, 2011**
- b. Real assets markets update**

Kevin Lynch, Principal and co-founder, and Richard Brown, Principal, from the Townsend Group, the System's real estate investment consultant, were present to discuss the third quarter 2011 real assets performance report.

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2. Reports and recommendations of The Townsend Group, real estate investment consultants (continued)

Additionally, The Townsend Group updated the Board on the current real assets market conditions.

After discussion, Mr. Wachsman made a motion to receive and file the reports and recommendations from the Townsend Group, real estate investment consultants. Mr. Allen seconded the motion, which was unanimously approved by the Board.

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3. Possible rescheduling of May regular Board meeting

Mr. Tettamant explained that the Board meeting schedule approved by the Board at the October workshop set the May meeting for May 10; however, the dates conflicts with the National Conference of Public Employees' Retirement Systems (NCPERS) annual conference, which is scheduled for the dates of May 6 – 10. Staff recommended that the Board reschedule the May Board meeting for May 17, 2012.

After discussion, Mr. Wachsman made a motion to reschedule the May regular Board meeting for May 17, 2012. Mr. Friar seconded the motion, which was unanimously approved by the Board.

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4. 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.

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The meeting was recessed at 9:38 a.m.

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

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5. Pension-related legislative issues

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

The Board and staff discussed legislative issues and reports from legislative consultants, including the summary update of current issues provided by Clint Smith, of Hillco Partners.

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

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

After discussion, Mr. Salinas 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.

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7. 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:** NAPO Pension & Benefits Seminar
Date: January 15-17, 2012

Messrs. Umlor, White, Wojcik

- b. **Conference:** IIR: GAIM USA
Dates: January 22-25, 2012

Mr. White

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

- c. Conference:** Society of Pension Professionals
Dates: January 27, 2012

Mr. Tettamant

- d. Conference:** NCPERS Legislative Conference
Dates: February 5-7, 2012

Messrs. Allen, Friar, Kadane, Tomasovic, Umlor, Wachsman, White, Wojcik, Tettamant, Taylor, Rohan, Mond, Ms. Jasso

After discussion, Mr. Salinas made a motion to receive and file the reports. Mr. Umlor 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 active members or pensioners requested to address the Board with concerns.

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2. Administrator's report

- a.** Associations' newsletters
 - TEXPERS Outlook (January 2012)
- b.** Future continuing education and investment research programs and conferences

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

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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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. Umlor, the meeting was adjourned at 10:44 a.m.

[signature]

George J. Tomasovic
Chairman

ATTEST:

[signature]

Richard L. Tettamant
Secretary