



D A L L A S
POLICE & FIRE
PENSION SYSTEM



MINUTE SUMMARY
Board Meeting
Thursday, October 10, 2013

The regular meeting of the Dallas Police & Fire Pension System Board of Trustees was held at 8:30 a.m. on Thursday, October 10, 2013, in the Second Floor Board Room at 4100 Harry Hines Blvd., Dallas, Texas. Items of the following agenda were presented to the Board:

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

A. CONSENT AGENDA

Approved, subject to the final review of the staff.

B. DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR INDIVIDUAL CONSIDERATION

1. Received and filed the monthly investment and financial reports.
2. Granted handicapped child survivor benefits under the provisions of Plan Section 6.06(p).
3. Received and filed reports by Board and staff members on due diligence meetings, seminars and/or conferences attended.
4. The Chairman and the Administrator presented the Employee Service Award for 5 years of service to Larissa Branford, Accountant, Greg Irlbeck, Manager, Investments - Public Securities, and Christina Wu, Manager, Investments - Real Assets.
5. Received and filed the Annual Board/Staff workshop plans.
6. Approved the first reading of the Calendar Year 2014 Administrative and Professional Services Budgets and authorized the second reading to be presented at the November 14, 2013, Board meeting.
7. No report was given on the Police Officer and Firefighter pay lawsuits. No motion was made.
8. No discussion was held concerning Beneficent Holdings, L.P. No motion was made.

MINUTE SUMMARY
Board Meeting
Thursday, October 10, 2013

C. BRIEFING ITEMS

1. An Active Member spoke to the Board.
2. Received and filed the Administrator's report.

The meeting was adjourned at 10:04 a.m.

SUPPLEMENTAL POLICE AND FIRE PENSION BOARD MEETING

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

The meeting was reconvened at 10:04 a.m.

A. CONSENT AGENDA

Approved, subject to the final review of the staff.

B. DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR INDIVIDUAL CONSIDERATION

1. Approved the first reading of the Calendar Year 2014 Supplemental Fund Budget and authorized the second reading to be presented at the November 14, 2013, Board meeting.
2. Received and filed the monthly investment and financial reports.

The meeting was adjourned at 10:05 a.m.

DALLAS POLICE & FIRE PENSION SYSTEM
ASSET DISTRIBUTION BY ADVISOR - AS OF August 31, 2013

	NET ASSET VALUE	% OF ASSETS	FUND ASSETS	ADVISOR % OF CLASS
GLOBAL PUBLIC EQUITY				
EAGLE ASSET MANAGEMENT	115,232,988.53		3.4 %	17.9 %
OFI INSTITUTIONAL ASSET MGMT	128,685,359.50		3.8 %	20.0 %
PYRAMIS GLOBAL ADVISORS TRUST CO	211,833,055.97		6.3 %	32.9 %
RREEF REIT	54,856,038.58		1.6 %	8.5 %
WALTER SCOTT & PARTNERS LIMITED	134,144,090.06		4.0 %	20.8 %
*** TOTAL GLOBAL PUBLIC EQUITY ***	644,751,532.64		19.3 %	100.0 %
GLOBAL PRIVATE EQUITY				
ASHMORE INVESTMENT MGMT GSSF IV	30,415,586.14		0.9 %	4.1 %
BANKCAP PARTNERS FUND I, LP	17,427,215.05		0.5 %	2.4 %
BANKCAP PARTNERS OPPORTUNITY LP	373,087.43		0.0 %	0.1 %
CREATIVE HOLDINGS	15,195,330.05		0.5 %	2.1 %
DALLAS POLICE AND FIRE RED CONSOLIDA	165,334,914.55		4.9 %	22.3 %
DPPF HM CAPITAL PARTNERS	1,132,085.52		0.0 %	0.2 %
HUFF ALTERNATIVE FUND LP	42,759,595.15		1.3 %	5.8 %
HUFF ENERGY FUND LP - HUFF ENERGY	201,593,225.67		6.0 %	27.2 %
LEICHTMAN CAPITAL PARTNERS DEEP VALU	5,746,782.02		0.2 %	0.8 %
LEVINE LEICHTMAN CAPITAL PARTNER IV,	45,127,533.70		1.3 %	6.1 %
LEVINE LEICHTMAN CAPITAL PTNERS V	31,373.00		0.0 %	0.0 %
LLCP DEEP VALUE FUND LP	32,204,297.58		1.0 %	4.4 %
LONE STAR CRA FUND LP	20,916,172.83		0.6 %	2.8 %
LONE STAR GROWTH CAPITAL LP	15,706,482.10		0.5 %	2.1 %
LONE STAR OPPORTUNITIES FUND V	13,262,589.02		0.4 %	1.8 %
MERIT PARTNERS LP	30,508,035.05		0.9 %	4.1 %
NORTH TEXAS OPPORTUNITY FUND	8,585,402.00		0.3 %	1.2 %
OAKTREE POWER OPPORTUNITIES FUND III	11,929,067.19		0.4 %	1.6 %
PHAROS CAPITAL PARTNERS	75,084,211.88		2.2 %	10.1 %
PHAROS CAPITAL PARTNERS III,LP	2,134,235.01		0.1 %	0.3 %
SOUTHERN CROSS	2,031,000.00		0.1 %	0.3 %
YELLOWSTONE ENERGY VENTURES	2,294,098.36		0.1 %	0.3 %
*** TOTAL GLOBAL PRIVATE EQUITY ***	739,792,319.30		22.1 %	100.0 %
GLOBAL NATURAL RESOURCES				
ENERGY OPPORTUNITIES CAPITAL MGMT	37,810,391.65		1.1 %	9.9 %
FOREST INVESTMENT ASSOCIATES	40,371,004.26		1.2 %	10.6 %
HANCOCK AGRICULTURAL INVEST FD	110,601,872.99		3.3 %	29.0 %
HUDSON CLEAN ENERGY PARTNERS	17,039,031.54		0.5 %	4.5 %
RCM	29,192,819.38		0.9 %	7.7 %
RMK TIMBERLAND GROUP	64,364,668.72		1.9 %	16.9 %
SUSTAINABLE ASSET MANAGEMENT	41,051,677.52		1.2 %	10.8 %
THE MITCHELL GROUP	41,048,543.01		1.2 %	10.8 %
*** TOTAL GLOBAL NATURAL RESOURCES *	381,480,009.07		11.4 %	100.0 %
GLOBAL FIXED INCOME				
ASHMORE EMERGING MARKETS	21,999,007.94		0.7 %	4.6 %
ASHMORE INVESTMENT MANAGEMENT	44,412,745.91		1.3 %	9.4 %
BRANDYWINE ASSET MANAGEMENT	72,007,900.32		2.2 %	15.2 %
HIGHLAND CREDIT OPPTS CDO LP - HIGHLA	17,498,677.33		0.5 %	3.7 %
HIGHLAND CRUSADER FUND LP	11,781,711.45		0.4 %	2.5 %
LONE STAR FUND VII	12,116,086.57		0.4 %	2.6 %
LONE STAR FUND VIII, LP	1,041.52		0.0 %	0.0 %
LOOMIS SAYLES & CO	134,588,915.89		4.0 %	28.4 %
MONDRIAN INVESTMENT PARTNERS	65,260,024.90		2.0 %	13.8 %
OCM FUND IV	4,449,348.62		0.1 %	0.9 %
W.R. HUFF HIGH YIELD	89,598,851.13		2.7 %	18.9 %
*** TOTAL GLOBAL FIXED INCOME ***	473,714,311.58		14.2 %	100.0 %
GLOBAL ASSET ALLOCATION				
BRIDGEWATER ASSOCIATES, INC	119,152,510.39		3.6 %	34.1 %
GMO MULTI-STRATEGY FUND	121,963,817.75		3.6 %	34.9 %
PUTNAM TOTAL RETURN	58,635,505.00		1.8 %	16.8 %
ROBEKO TRANSTREND DIVERSIFIED FUND	49,679,339.50		1.5 %	14.2 %
*** TOTAL GLOBAL ASSET ALLOCATION **	349,431,172.64		10.4 %	100.0 %
GLOBAL INFRASTRUCTURE				
J P MORGAN ASIAN INFRASTRUCTURE & RE	32,155,114.06		1.0 %	24.0 %

DALLAS POLICE & FIRE PENSION SYSTEM
ASSET DISTRIBUTION BY ADVISOR - AS OF August 31, 2013

	NET ASSET VALUE	% OF ASSETS	FUND % OF CLASS	ADVISOR % OF CLASS
JP MORGAN GLOBAL MARITIME INV FUND	5,236,197.55	0.2 %		3.9 %
JP MORGAN INFRASTRUCTURE INV FUND	34,429,543.67	1.0 %		25.7 %
LBJ INFRASTRUCTURE	31,296,969.50	0.9 %		23.4 %
NTE MOBILITY PARTNERS HOLDINGS LLC	30,720,860.08	0.9 %		23.0 %
*** TOTAL GLOBAL INFRASTRUCTURE ***	133,838,684.86	4.0 %		100.0 %
 <u>REAL ESTATE</u>				
BENTALL KENNEDY REAL ESTATE	27,003,588.99	0.8 %		4.4 %
CDK REALTY ADVISORS	386,216,792.30	11.5 %		63.5 %
CRISWELL RADOVAN	32,091,133.62	1.0 %		5.3 %
DALLAS P & F - REAL ESTATE FUND	40,511,495.18	1.2 %		6.7 %
LONE STAR REAL ESTATE FUND II	13,006,506.58	0.4 %		2.1 %
INVESCO	15,188,078.50	0.5 %		2.5 %
KNUDSON LUXURY HOUSING	1,130,344.57	0.0 %		0.2 %
L & B	41,419,310.85	1.2 %		6.8 %
LAND BARON	28,807,393.38	0.9 %		4.7 %
TDB REAL ESTATE	22,960,232.95	0.7 %		3.8 %
TRECAP PARTNERS LLC	158,464.52	0.0 %		0.0 %
*** TOTAL REAL ESTATE ***	608,493,341.44	18.2 %		100.0 %
 <u>CASH/LOAN PROGRAM</u>				
CONTRIBUTION & EXPENSE ACCOUNT				
CONTROL CASH	14,473,099.66	0.4 %		98.8 %
LOAN PROGRAM	0.00	0.0 %		0.0 %
DPFP TRANSITION ACCOUNT	170,327.85	0.0 %		1.2 %
*** TOTAL CASH/LOAN PROGRAM ***	14,643,427.51	0.4 %		100.0 %
TOTAL MASTER TRUST	3,346,144,799.04	100.0 %		100.0 %
CITY CONTRIBUTIONS	12,129,943.92			
EMPLOYEE CONTRIBUTIONS	2,951,346.53			
BENEFIT DISTRIBUTIONS	-20,451,319.52			
ADVISORY FEES	-923,982.41			

Dallas Police and Fire Pension System
Thursday, October 10, 2013
8:30 a.m.
4100 Harry Hines Blvd., Suite 100
Second Floor Board Room
Dallas, TX

Regular meeting, George Tomasovic, Chairman, presiding:

ROLL CALL

Board Members

Present: Gerald D. Brown, Samuel L. Friar, Scott Griggs, Kenneth S. Haben, Lee M. Kleinman, John M. Mays, George J. Tomasovic, Richard A. Salinas, Joseph P. Schutz, Daniel W. Wojcik

Absent: Tennell Atkins (on City of Dallas business), Philip T. Kingston (on City of Dallas business)

Staff Richard Tettamant, Don Rohan, Brian Blake, Mike Taylor, Josh Mond, John Holt, Jerry Chandler, Corina Terrazas, Pat McGennis, Christina Wu, Greg Irlbeck, Ryan Wagner, Linda Rickley, Ann Matthews

Others Gary Lawson, Rebecca Shaw, Brian Hass, Alexis Bailey, Steve Thompson, Gary Jacobson

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

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A. CONSENT AGENDA

1. Approval of Minutes

- a. Regular meeting of September 12, 2013
- b. Special meeting of September 17, 2013
- c. Special meeting of September 19, 2013

2. Approval of Refunds of Contributions for the Month of September 2013

3. Approval of Activity in the Deferred Retirement Option Plan (DROP) for October 2013

**Regular Board Meeting
Thursday, October 10, 2013**

A. CONSENT AGENDA (continued)

- 4. Approval of Estate Settlements**
- 5. Approval of Survivor Benefits**
- 6. Approval of Service Retirements**
- 7. Approval of Alternate Payee Benefits**
- 8. Approval of Payment of Previously Withdrawn Contributions**
- 9. Approval of Payment of Military Leave Contributions**

Mr. Rohan, Assistant Administrator – Operations, and Ms. McGennis, Benefits Manager, gave an educational briefing on the various Consent Agenda categories.

After discussion, Mr. Brown made a motion to approve the items on the Consent Agenda, subject to final approval by 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. Investment and financial reports

Mr. Tettamant and Mr. Wagner, Investment Analyst, gave an educational briefing on the investment and financial reports.

After discussion, Mr. Brown made a motion to receive and file the Group Trust monthly asset allocation report, the Group Trust monthly unitization report, the Group Trust performance report unaudited draft, and the Group Trust unaudited statement of net assets available for benefits. Mr. Salinas seconded the motion, which was unanimously approved by the Board.

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**Regular Board Meeting
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2. Determination of Handicap Status of Dependent Child

The Board went into a closed executive session – medical at 8:55 a.m.

The meeting was reopened at 9:00 a.m.

After discussion, Mr. Brown made a motion to grant survivor benefits to the handicapped dependent child presented to the Board under the provisions of Plan Section 6.06(p). Mr. Wojcik seconded the motion, which was unanimously approved by the Board.

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3. 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. IFEBP: Wharton School Advanced Investments Management

Mr. Salinas

b. Mid-Sized Retirement & Healthcare Plan Management Conference

Messrs. Wojcik, Schutz

c. Future of Corporate Reform

Mr. Friar

d. Blackrock Investment Forum

No attendees. No report was given.

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

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The meeting was recessed at 9:27 a.m.

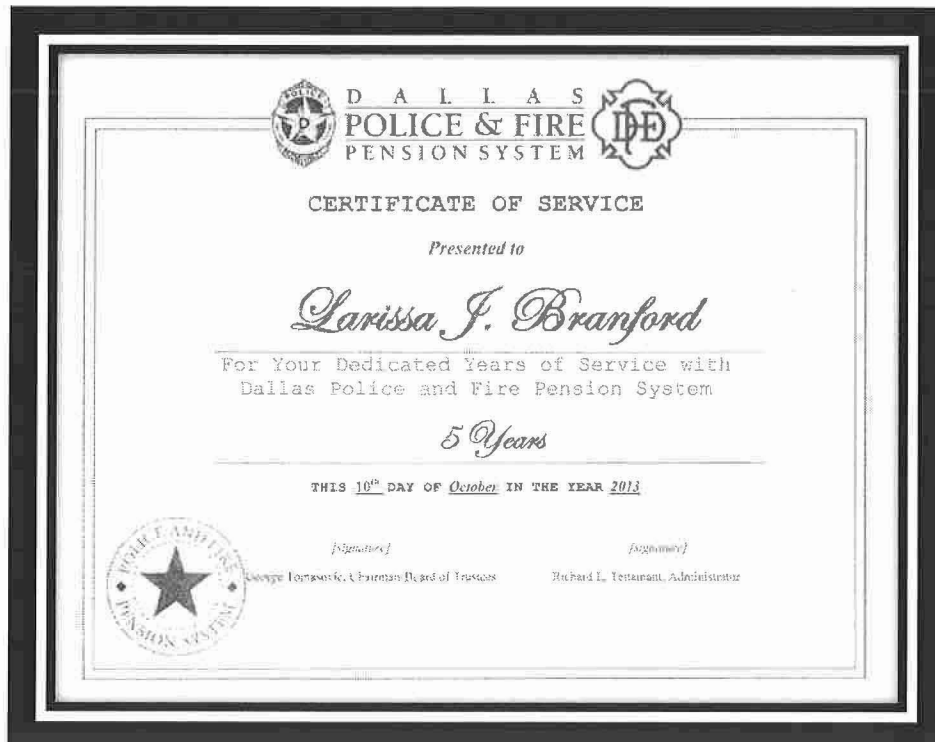
The meeting was reconvened at 9:37 a.m.

**Regular Board Meeting
Thursday, October 10, 2013**

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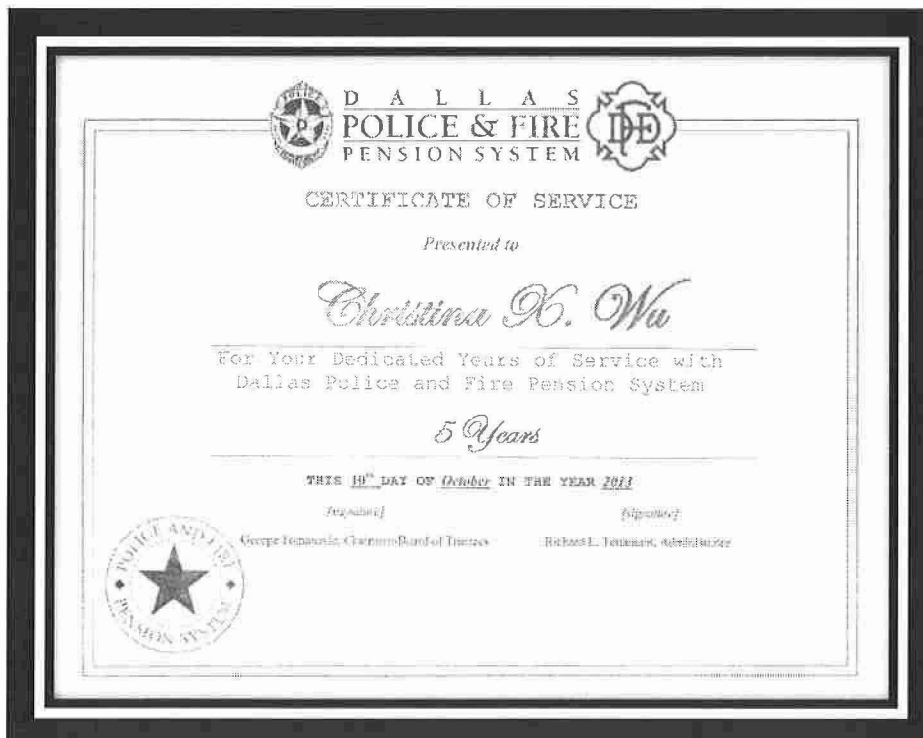
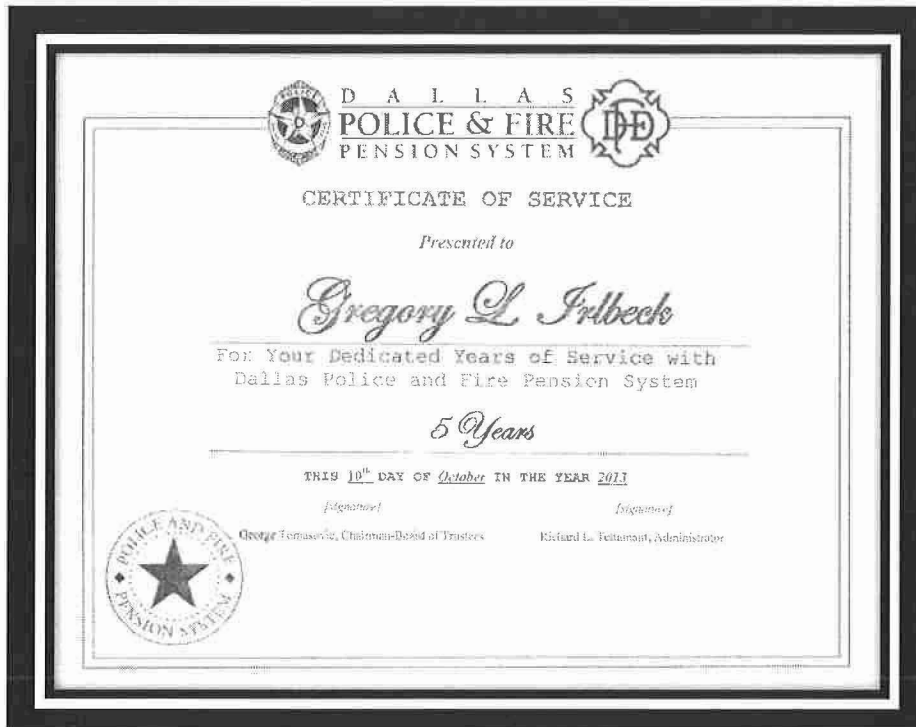
4. Employee recognition – Third Quarter 2013

- a. Employee Service Award
 - b. Employee of the Quarter Award
- a. Mr. Tomasovic, Chairman, and Mr. Tettamant, Administrator, presented the Employee Service Award for 5 years of service to Larissa Branford, Accountant, Greg Irlbeck, Manager, Investments - Public Securities, and Christina Wu, Manager, Investments - Real Assets.
- b. The Employee of the Quarter Award was deferred to the November regular Board meeting.



Regular Board Meeting
Thursday, October 10, 2013

4. Employee recognition – Third Quarter 2013 (continued)



**Regular Board Meeting
Thursday, October 10, 2013**

4. Employee recognition – Third Quarter 2013 (continued)

After discussion, Mr. Salinas made a motion to receive and file the employee service awards. Mr. Brown seconded the motion, which was unanimously approved by the Board.

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5. Annual Board/Staff Workshop

Staff provided updated information and responded to Board members' questions.

No motion was made.

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6. First reading of the 2014 Administrative and Professional Services Budgets

Mr. Tettamant stated that the proposed Administrative and Professional Services Budgets for Calendar Year 2014 were presented to the Board for review and comment at the September 12, 2013, meeting of the Board.

The Board authorized the first reading of the budgets to be presented at the October 10, 2013, Board meeting. Changes have been made to the budgets as presented at the September 12 meeting of the Board.

After discussion, Mr. Wojcik made a motion to approve the first reading of the Calendar Year 2014 Administrative and Professional Services Budgets and authorize the second reading to be presented at the November 14, 2013, Board meeting. Mr. Friar seconded the motion, which was approved by the following vote:

For: Friar, Haben, Mays, Schutz, Tomasovic, Wojcik
Against: Brown, Kleinman, Salinas

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**Regular Board Meeting
Thursday, October 10, 2013**

7. 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 report was given. No motion was made.

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8. Beneficient Holdings, L.P.

No report was given. No motion was made.

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C. BRIEFING ITEMS

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

An Active Member spoke to the Board regarding the proposed 2014 budget.

A posthumous tribute to Wayne Antrobus, retired Police Officer, was given by Board and staff members.

No motion was made.

After discussion, Mr. Mays 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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2. Administrator's report

Associations' newsletters

- TEXPERS Outlook (September 2013)
- TEXPERS Outlook (October 2013)

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

**Regular Board Meeting
Thursday, October 10, 2013**

2. Administrator's report (continued)

After discussion, Mr. Salinas made a motion to receive and file the reports. Mr. Brown 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. Brown and a second by Mr. Haben, the meeting was adjourned at 10:04 a.m.

[signature]

George J. Tomasovic
Chairman

ATTEST:

[signature]

Richard L. Tettamant
Secretary