



**Date: December 5, 2002**

A meeting of the Dallas Police and Fire Pension System Administrative Advisory Committee will be held at **8:30 a.m., on Thursday, December 12, 2002 in the First Floor Conference Room at 2301 North Akard Street, Dallas, Texas.** Items of the following agenda will be presented to the Committee:

**A. CONSENT AGENDA**

**Approval of Minutes**

Regular meeting of May 9, 2002

**B. DISCUSSION OF ITEMS FOR INDIVIDUAL CONSIDERATION**

- 1. Discussion of the 2003 Personalized Benefit Statement for Members of the Dallas Police and Fire Pension System**
- 2. Discussion of the 2003 Personalized Deferred Retirement Option Plan (DROP) Statement for Members of the Dallas Police and Fire Pension System**
- 3. Discussion of the 2001-2002 Fiscal Year-End Close Review of the Administrative and Professional Services Budgets for the year ended September 30, 2002**
- 4. Discussion of the 2001-2002 Fiscal Year End Close Review of the Supplemental Fund Budget for the year ended September 30, 2002**
- 5. Discussion of the Administrator's 2003 Strategic Plan**
- 6. Discussion of the performance review of the Administrator**

The term "Possible Action" in the wording of any Agenda item contained herein serves as notice that the Committee 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 Committee 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.

At the discretion of the Committee, items on this agenda may be considered at times other than those indicated above.

**Dallas Police and Fire Pension System  
Thursday, December 12, 2002  
8:30 a.m.  
2301 N. Akard  
First Floor Conference Room  
Dallas, Texas**

Administrative Advisory Committee meeting, George Tomasovic, Chairman, presiding:

**ROLL CALL**

**Committee Members**

Present: George Tomasovic, Gerald Brown, Steven G. Shaw, Rector C. McCollum, Gary W. Edge, Steven H. Umlor, John M. Mays, and Richard H. Wachsman

Absent: None

**Staff**

Richard Tettamant, Don Rohan, Brian Blake, Everard Davenport, Don McMillan, Pat McGennis, Linda Stevenson, Jay Jackson, John Holt, Jerry Chandler, and Linda Rickley

**Others**

None

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

The meeting was reconvened at 3:24 p.m.

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**A. CONSENT AGENDA**

**Approval of Minutes**

Regular meeting of May 9, 2002

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

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**Administrative Advisory Committee**  
**Thursday, December 12, 2002**

**B. DISCUSSION OF ITEMS FOR INDIVIDUAL CONSIDERATION**

**1. Discussion of the 2003 Personalized Benefit Statement for Members of the Dallas Police and Fire Pension System**

Mr. Tettamant and Mr. Rohan, Assistant Administrator-Operations, discussed the proposed individualized annual benefit statement for Members of the Dallas Police and Fire Pension System, which is a four-page statement for each Member that includes a cover message from the Chairman and the Administrator, the Member's benefit estimate with a summary of their total contributions to the Plan, and an explanation of terms. The draft includes an insert sheet as a guide to help Members understand the layout of estimated Benefit Calculation page. Staff will make minor content and design changes before printing and distribution. The Committee and staff also discussed the cost differentials of color versus black-and-white printing.

Mailing of benefit statements to each Member's home address of record is scheduled for late February 2003.

After discussion, Mr. McCollum made a motion to recommend Board approval of the printing of the proposed benefit statements in black-and-white or utilizing one color of ink. Mr. Edge seconded the motion, which was unanimously approved by the Committee.

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**2. Discussion of the 2003 Personalized Deferred Retirement Option Plan (DROP) Statement for Members of the Dallas Police and Fire Pension System**

Mr. Tettamant and Mr. Rohan discussed the proposed individualized Annual DROP Statement for Members of the Dallas Police & Fire Pension System who have joined DROP. Mailing of the DROP statements to each participant's home address of record is scheduled for the last week of February 2003. Staff will make minor content and design changes before printing and distribution.

After discussion, Mr. McCollum made a motion to recommend Board approval of the printing of the proposed DROP statements in black-and-white or utilizing one color of ink. Mr. Tomasovic seconded the motion, which was unanimously approved by the Committee.

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**Administrative Advisory Committee**  
**Thursday, December 12, 2002**

**3. Discussion of the 2001-2002 Fiscal Year-End Close Review of the Administrative and Professional Services Budgets for the year ended September 30, 2002**

Mr. Tettamant summarized the final Administrative and Professional Services Budget review for Fiscal Year 2001-2002. Administrative expenses were 95.7% of the total budgeted amount for the twelve-month period ended September 30, 2002. Total expenses for the year were \$2,079,898, which included fixed asset expenses and revenue from the Supplemental Fund.

Expenses for professional services, including investment manager fees, were \$11,880,785, which represents 87.1% of the total amount budgeted.

The staff provided a detailed analysis of actual Fund expenses with an explanation for those items where the expense exceeded the budgeted amount.

After discussion, Mr. Edge made a motion to recommend that the Board receive and file the 2001-2002 Fiscal Year-End Close Review of the Administrative and Professional Services Budgets for the year ended September 30, 2002. Mr. McCollum seconded the motion, which was unanimously approved by the Committee.

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**4. Discussion of the 2001-2002 Fiscal Year End Close Review of the Supplemental Fund Budget for the year ended September 30, 2002**

Mr. Tettamant summarized the 2001-2002 Fiscal Year End Close Review of the Supplemental Fund Budget for the year ended September 30, 2002. The actual administrative expense of \$25,137 exceeded the budgeted amount of \$23,013 because of an increase in total expenses over the previous year. Audit expense of \$8,500 and legal expenses of \$1,125 are included in the total expenses of the Supplemental Fund.

After discussion, Mr. Edge made a motion to recommend that the Board receive and file the 2001-2002 Fiscal Year End Close Review of the Supplemental Fund Budget for the year ended September 30, 2002. Mr. McCollum seconded the motion, which was unanimously approved by the Board.

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**Administrative Advisory Committee**  
**Thursday, December 12, 2002**

**5. Discussion of the Administrator’s 2003 Strategic Plan**

Mr. Tettamant stated that at the October 2002 workshop, the Board had referred the 2003 Strategic Plan for the review and recommendation of the Administrative Advisory Committee. Each year, staff presents an annual work plan, which is utilized as a guide for Board and Staff in project planning and implementation during the coming year.

After discussion, Mr. Edge made a motion that the Committee recommend approval of the Administrator’s 2003 Strategic Plan to the Board, subject to the final approval of the Administrator. Mr. Mays seconded the motion, which was unanimously approved by the Committee.

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**6. Discussion of the performance review of the Administrator**

The Committee discussed the annual performance review of the Administrator.

After discussion, Mr. Wachsman made a motion that the Committee recommend Board approval of the performance review of the Administrator. Mr. Shaw seconded the motion, which was unanimously approved by the Committee.

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Mr. Tettamant stated that there was no further business to come before the Committee. On a motion by Mr. Edge and a second by Mr. Umlor, the meeting was adjourned at 4:20 p.m.

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George Tomasovic  
Chairman

ATTEST:

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Richard L. Tettamant  
Secretary