

## AGENDA



Date: September 2, 2005

A meeting of the Dallas Police and Fire Pension System Administrative Advisory Committee will be held at **8:30 a.m. on Thursday, September 8, 2005 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 August 11, 2005

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

- 1. Discussion of the Administrative and Professional Services Budgets review for the first six months of Calendar Year 2005**
- 2. Discussion of the Supplemental Fund Budget review for the first six months of Calendar Year 2005**
- 3. Discussion of 2004 audit report**
- 4. Discussion of 2004 annual report and condensed annual report**

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, September 8, 2005**  
**8:30 a.m.**  
**2301 North Akard Street**  
**First Floor Conference Room**  
**Dallas, Texas**

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

**ROLL CALL**

**Committee Members**

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

Absent: None

**Staff** Richard Tettamant, Brian Blake, Don Rohan, Everard Davenport, Mike Taylor, Jack Liewehr, Pat McGennis, John Holt, and Linda Rickley

**Others** None

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The meeting was called to order and recessed at 8:34 a.m.

The meeting was reconvened at 12:33 p.m.

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**A. CONSENT AGENDA**

**Approval of Minutes**

Regular meeting of August 11, 2005

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

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**Administrative Advisory Committee**  
**Thursday, September 8, 2005**

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

**1. Discussion of the Administrative and Professional Services Budgets review for the first six months of Calendar Year 2005**

Mr. Tettamant submitted the Calendar Year 2005 Administrative and Professional Services Budgets detailing expenditures for the first six months of the calendar year.

The adjusted 2005 administrative budget, as approved by the Board, was provided on page 2 of the review. Overall administrative expenses were well within budget. The budget summary on page 3 of the review showed System administrative expenditures through mid-year at 44.5 % of the CY 2005 budget. No line item exceeded the prorated budget amount by more than 5%.

The adjusted 2005 professional services budget, as approved by the Board, was provided on page 5 of the review. Overall expenses for professional services also were within budget, as summarized on page 6 of the review. At mid-year, expenditures were 50.1% of the adjusted CY 2005 budget. Itemized expenses that exceed the prorated budget amount by 5% or more for the first six months were detailed on page 7 of the review.

After discussion, Mr. Edge made a motion to recommend that the Board receive and file the six-month budget review. Mr. McCollum seconded the motion, which was unanimously approved by the Committee.

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**2. Discussion of the Supplemental Fund Budget review for the first six months of Calendar Year 2005**

Supplemental Plan expenditures through June 30, 2005 included a pro rata portion of administrative expenses budgeted for the year and audit fees billed in 2005 for the 2003 audit of the Supplemental Plan, as follows:

Administrative expenses	\$16,112
Legal Fees	\$ 0
Audit	<u>\$14,000</u>
Total	\$30,112

These expenses are reimbursed by the Supplemental Fund to the Pension System.

The Committee directed the staff to present the Supplemental Fund Budget review for the first six months of Calendar Year 2005 at the September 8, 2005 Board meeting.

**Administrative Advisory Committee**  
**Thursday, September 8, 2005**

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**3. Discussion of 2004 audit report**

Mir-Fox & Rodriguez, the System's independent auditor, had completed and presented a draft of the Independent Audit Report of the System's financial statements for the year ending December 31, 2004. The Independent Audit Report stated that the financial statements prepared by the System present fairly the financial status of the System as of December 31, 2003 and 2004, and the changes in its financial status for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The Administrator provided copies of the draft financial statements and Audit Report.

After discussion, Mr. Brown made a motion for the Committee to recommend Board approval of the Independent Audit Report, subject to the final approval of the Administrator and Internal Control Manager. Mr. Edge seconded the motion, which was unanimously approved by the Committee.

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**4. Discussion of 2004 annual report and condensed annual report**

The Administrator submitted the draft copy of the 2004 Annual Report. The report was in six sections:

- Transmittal Letter and Introductory Section
- Financial Section with the complete Independent Audit Report
- Investment Section
- Actuarial Section with the complete Actuarial Valuation
- Statistics Section
- Police and Fire Supplemental Pension Plan Actuarial Valuation

The Administrator also submitted separate condensed versions of the Annual Report prepared for Active Members and Pensioners to highlight selected information from the full report. On publication, the Condensed Annual Reports will be distributed to Active Members and Pensioners.

After discussion, Mr. Brown made a motion for the Committee to recommend Board approval of the publication of the 2004 Annual Report and Condensed Active Member and Pensioner Annual Reports, subject to final review and approval of the Administrator and legal counsel. Mr. Edge seconded the motion, which was unanimously approved by the Committee.

**Administrative Advisory Committee  
Thursday, September 8, 2005**

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Mr. Tettamant stated that there was no further business to come before the Committee. On a motion by Mr. Umlor and a second by Mr. Mays, the meeting was adjourned at 12:45 p.m.

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George Tomasovic  
Chairman

ATTEST:

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Richard L. Tettamant  
Secretary