

Dallas Police and Fire Pension System
Thursday, April 12, 2012
8:30 a.m.
4100 Harry Hines Blvd., Suite 100
Second Floor Board Room
Dallas, TX

Administrative and Audit Advisory Committee meeting, Steven H. Umlor, Chairman, presiding:

ROLL CALL

Committee 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, Josh Mond, John Holt, Jerry Chandler, Corina Terrazas, Pat McGennis, Larry Landfried, Ryan Wagner, Christina Wu, Greg Irlbeck, Linda Rickley

Others Gary Lawson, Charlie Kodatt, Wayne Antrobus, Ed Dresser

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

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A. CONSENT AGENDA

Approval of Minutes

Regular meeting of December 8, 2011

After discussion, Mr. Wachsman made a motion to approve the minutes of the regular meeting of December 8, 2011, subject to final approval of the Administrator. Mr. Salinas seconded the motion, which was unanimously approved by the Committee.

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B. DISCUSSION OF ITEMS FOR INDIVIDUAL CONSIDERATION

1. 2011 audit report schedule

Mr. Taylor reported that System staff has been providing the System's external auditor, MFR, PC, with preliminary information in preparation for this year's audit. The field work and report schedule is as follows:

May 7-18	On-site field work
June 14	Report to Board of Trustees

After discussion, Mr. Wachsman made a motion to recommend that the Board receive and file the 2011 audit report schedule. Mr. Mays seconded the motion, which was unanimously approved by the Committee.

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2. 2011 Calendar Year-End Close Review of the Administrative and Professional Services Budgets for the year ended December 31, 2011

Mr. Rohan reviewed expenses for 2011, reporting that the Administrative and Professional Services Budget for 2011 expenses net of investment management fees totaled \$6,667,890. This is 14.74% less than budgeted and represents approximately 22 basis points against total assets under management as of December 31, 2011. A preliminary review reports investment manager fees of \$31,605,288, approximately 4.37% under the amount budgeted, and about 106 basis points on assets under management as of December 31, 2011.

After discussion, Mr. Wachsman made a motion to recommend that the Board receive and file the 2011 Calendar Year-End Close Review of the Administrative and Professional Services budgets. Mr. Salinas seconded the motion, which was unanimously approved by the Committee.

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3. 2011 Calendar Year End Close Review of the Supplemental Fund Budget for the year ended December 31, 2011

Mr. Rohan reported that total System expenses were allocated to the Supplemental Plan on a pro rata basis on the ratio (0.69%) of Supplemental Plan assets to the total average assets in the Group Trust as of December 31, 2011.

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3. 2011 Calendar Year End Close Review of the Supplemental Fund Budget for the year ended December 31, 2011 (continued)

Expenses allocated to the Supplemental Plan based on a preliminary review totaled \$266,453, which is 7.6% under budget.

After discussion, Mr. Wachsman made a motion to recommend that the Board receive and file the 2011 Calendar Year End Close Review of the Supplemental Fund Budget for the year ended December 31, 2011. Mr. Mays seconded the motion, which was unanimously approved by the Committee.

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4. Quarterly report on continuing education and investment research expenses

Mr. Taylor provided an overview of the Continuing Education and Investment Research expenditures for the First Quarter 2012. In addition, each Trustee was provided an individual expenditure summary status report.

After discussion, Mr. Tomasovic made a motion to receive and file the quarterly report on continuing education and investment research expenses. Mr. Salinas seconded the motion, which was unanimously approved by the Committee.

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The Administrator stated that there was no further business to come before the Committee. On a motion made by Mr. Tomasovic and a second by Mr. Salinas, the meeting was adjourned at 8:45 a.m.

[signature]

Steven H. Umlor
Chairman

ATTEST:

[signature]

Richard L. Tettamant
Secretary

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