

**Dallas Police and Fire Pension System**  
**Tuesday, March 29, 2001**  
**8:30 a.m.**  
**2777 Stemmons Freeway, Suite 825**  
**Dallas, Texas**

Special meeting, Steve Shaw, Vice-Chairman, presiding:

**ROLL CALL**

**Board Members**

**Present:** Steve Shaw, George Tomasovic, Rector C. McCollum, Steve Umlor, Gary Edge, Councilmember Donald Hill

**Absent:** Gerald Brown, Councilmember John Loza, Councilmember Mary Poss, Councilmember Maxine Thornton-Reese

**Staff:** Richard Tettamant, Don Rohan, Brian Blake, Don McMillan, Linda Rickley

**Others:** Everard Davenport, Gus Fields, Richard Wachsman, John Mays, Rebecca Ryan

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

**DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR INDIVIDUAL CONSIDERATION**

**1. Certification of the results of the 2001 Trustee Election**

Mr. Tettamant presented the following notarized results of the 2001 Trustee Election as reported by Voice Retrieval and Information Services, Inc. and the Pension System Administrator:

**Fire Trustee #F-1**  
Gerald Brown

Gerald Brown was unopposed for Fire Trustee Place #F-1; therefore, according to the Trustee Election Procedures, no election was held for that trustee place and he is automatically deemed elected as the Fire Trustee Place #F-1 for the term of office from June 1, 2001 through May 31, 2005.

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**1. Certification of the results of the 2001 Trustee Election (continued)**

<b><u>Police Trustee #P-1</u></b>	<b><u>Votes Received</u></b>	<b><u>Percent (%)</u></b>
Michael J. Smith	95	10.92
Kenneth S. Haben	247	28.39
Tommy R. Buggs	127	14.60
Steven H. Umlor	<u>401</u>	<u>46.09</u>
<b>TOTAL</b>	<b>870</b>	<b>100.00</b>

Since no candidate for Police Trustee Place #P-1 received greater than 50% of the votes cast, a run-off election will be necessary for that place number only. A run-off election telephone voting ballot will be sent to Active Police Members at the home address as it is recorded in the Pension Office. Voting instructions will be included in the letter.

<b><u>Fire Pensioner Trustee #1</u></b>	<b><u>Votes Received</u></b>	<b><u>Percent (%)</u></b>
Kenneth M. Dodd	80	16.81
Haskell L. Willeford	20	4.20
Archie R. Kelly	115	24.16
Richard H. Wachsman	<u>261</u>	<u>54.83</u>
<b>TOTAL</b>	<b>476</b>	<b>100.00</b>

Richard H. Wachsman received a majority of the votes that were cast and is the Fire Pensioner Trustee Place #1 elected for the term of office from June 1, 2001 through May 31, 2005.

<b><u>Police Pensioner Trustee #1</u></b>	<b><u>Votes Received</u></b>	<b><u>Percent (%)</u></b>
Robert O. Dixon	174	32.52
John M. Mays	<u>361</u>	<u>67.48</u>
<b>TOTAL</b>	<b>535</b>	<b>100.00</b>

John M. Mays received a majority of the votes that were cast and is the Police Pensioner Trustee Place #1 elected for the term of office from June 1, 2001 through May 31, 2005.

After discussion, Mr. Edge made a motion to certify the results of the 2001 Trustee Election. Mr. Tomasovic seconded the motion, which was unanimously approved by the Board.

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**2. Call for a 2001 Trustee Election run-off, if necessary**

Mr. Tettamant said that the Trustee Election Procedures state that a run-off election must be completed no later than thirty (30) days after the Board certifies that no candidate received a majority of the votes cast, which is the case in the Police Trustee #P-1 election. The Combined Pension Plan document calls for the position of Trustee to be filled by June 1, 2001.

At the Board meeting that was held on March 8, 2001, the Board chose April 12-23, 2001 as run-off election dates. The Board chose April 26, 2001 at 8:30 a.m. as the date and time of the special Board meeting to certify the run-off election results.

After discussion, Mr. Edge made a motion to call for a 2001 Trustee Election run-off to be held April 12-23, 2001 to determine the Police Trustee #P-1. Mr. McCollum seconded the motion, which was unanimously approved by the Board.

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**3. Survey of membership and focus groups**

Rebecca Ryan, of Silver Communications, discussed with the Board and staff the final form for the active member and pensioner surveys. Several modifications were made. She also briefed the Board on the discussion guides for the active member and pensioner focus groups.

Ms. Ryan, the Board, and staff also discussed the cost increase necessitated by changes to the original plans.

After discussion, Mr. Edge made a motion to approve the additional funds required to develop and administer the surveys and focus groups, subject to the final approval of the Administrator. Mr. McCollum seconded the motion, which was unanimously approved by the Board.

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**4. April 2001 Benefit Adjustment**

Mr. Tettamant explained that the April 2001 pay increase for active Police Officers and Firefighters is set for April 10. Normally, pay adjustments have been effective on the first day of the month.

The issue is what to pay the pensioners and survivors for the month of April. The definition of Base Pay in the Plan document is as follows:

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**4. April 2001 Benefit Adjustment (continued)**

"Base Pay" means the maximum monthly civil service pay from time to time established by the City for persons who hold the rank of "police officer" in the City's Police Department or "fire and rescue officer" in the City's Fire Department exclusive of any other form of compensation.

The formula for the Old Plan benefit is (Base Pay X .5) plus 50% of longevity pay.

There are two possible methods of determining payment to the pensioners and survivors for the month of April:

1. Assume that the Base Pay is paid daily and prorate the amounts utilizing the old Base Pay rate for the first nine days and the new Base Pay rate for the last 21 days. This would result in a Benefit of \$2,175.71 plus longevity pay for many Old Plan and Plan B (Arnett) pensioners.
2. Assume that the Base Pay is determined by the highest amount in any given month. In other words, the highest amount would be the amount paid on and after April 10. This would result in a Benefit of \$2,216.29 plus longevity pay for many Old Plan and Plan B (Arnett) pensioners.

Method #2 would cost approximately \$40 per person more than Method #1.

After discussion, Mr. Edge made a motion to authorize the Pension System staff to adjust the pensioners' base pay to the higher amount (Method #2, described above) as of April 1, 2001. Mr. Umlor seconded the motion, which was unanimously approved by the Board.

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**5. Administrator's report**

- a. Custodial bank/consultants update
- b. Investment managers update
- c. Professional services providers update
- d. Texas Public Employee Retirement Systems (TEXPERS), National Conference on Public Employee Retirement Systems (NCPERS), and the Coalition to Preserve Retirement Security (CPRS)

Mr. Tettamant stated that Rosalind Hewsenian, of Wilshire Associates, Inc., has requested that a special Board meeting be held on either May 21 or May 22 to discuss the System's asset allocation.

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**5. Administrator's report (continued)**

After discussion, the Board directed Mr. Tettamant to hold the special Board meeting on May 22, 2001 at 8:30 a.m.

No motion was made.

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Mr. Tettamant stated that there was no further business to come before the Board. On a motion by Mr. Tomasovic and a second by Mr. Edge, the meeting was adjourned at 9:59 a.m.

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Steve Shaw  
Vice-Chairman

ATTEST:

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Richard L. Tettamant  
Secretary