

Dallas Police and Fire Pension System
Thursday, July 14, 2011
8:30 a.m.
4100 Harry Hines Blvd., Suite 100
Second Floor Board Room
Dallas, TX

Regular meeting, George J. Tomasovic, Chairman, presiding:

ROLL CALL

Board Members

Present: Jerry R. Allen, Samuel L. Friar, Sheffield Kadane, John M. Mays, David A. Neumann, George J. Tomasovic, Richard H. Wachsman, Thomas White

Absent: Richard A. Salinas, Steven H. Umlor, Daniel W. Wojcik

Staff

Richard Tettamant, Don Rohan, Brian Blake, Mike Taylor, Talal Ellass, Josh Mond, John Holt, Jerry Chandler, Corina Terrazas, Pat McGennis, Larry Landfried, Christina Wu, Greg Irlbeck, Linda Rickley

Others

Richard Brown, Michael Barrett, Andrew Hughes, A.W. Williams, Shelly Dennis, David Burnham, Mike Gilmen, Javier Leal, Lonnie Allen, Vickie A. Stonake, Judy Skibinski, Charles M. Barney, C.B. Norfleet, R.W. Kamphouse, Bob Hamilton, Senator John Whitmire, Yuniedth Midence-Steen

* * * * *

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

The meeting was reconvened at 10:09 a.m.

* * * * *

A. CONSENT AGENDA

1. Approval of Minutes

- a. Special meeting of June 6, 2011
- b. Special meeting of June 7, 2011
- c. Special meeting of June 8, 2011
- d. Regular meeting of June 9, 2011
- e. Quarterly meeting of June 14, 2011

**Regular Board Meeting
Thursday, July 14, 2011**

A. CONSENT AGENDA (continued)

- 2. Approval of Refunds of Contributions for the Month of June 2011**
- 3. Approval of Activity in the Deferred Retirement Option Plan (DROP) for July 2011**
- 4. Approval of Estate Settlements**
- 5. Approval of Survivor Benefits**
- 6. Approval of Service Retirements**
- 7. Approval of Alternate Payee Benefits**
- 8. Approval of Five-Year Certificates for the Third Quarter, 2011**
- 9. Approval of Earnings Test**
- 10. Approval of Payment of Military Leave Contributions**

After discussion, Mr. Mays made a motion to approve the items on the Consent Agenda, subject to the final approval of the Administrator. Mr. Kadane seconded the motion, which was unanimously approved by the Board.

* * * * *

B. DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR INDIVIDUAL CONSIDERATION

1. Pension-related legislative issues

- a. Hillco Partners - client advisory on federal and state legislative issues**
- b. Locke Lord Bissell & Liddell LLP – legislative update**

Senator John Whitmire and Yuniedth Midence-Steen, of Locke Lord Bissell & Liddell LLP, were present and gave a wrap-up report on the 2011 legislative session.

After discussion, Mr. Wachsman made a motion to receive and file the report by Locke Lord. Mr. Mays seconded the motion, which was unanimously approved by the Board.

**Regular Board Meeting
Thursday, July 14, 2011**

* * * * *

2. Special request of Bob Hamilton, retired firefighter

Mr. Hamilton, Retired Firefighter, requested that the Board reconsider a staff denial of a customized formula he would like to use for determining the split of his DROP balance upon his death.

After discussion, Mr. Wachsman made a motion to deny Mr. Hamilton's request. Mr. Friar seconded the motion, which was unanimously approved by the Board.

* * * * *

3. Request from Police Officer Shelly Dennis to address the Board regarding the January Plan Amendment election.

The Board went into a closed executive session – legal at 11:04 a.m.

The meeting was reopened at 11:06 a.m.

Ms. Dennis, Active Service Police Officer, addressed the Board to discuss concerns over the provision, included in the Plan Amendment approved by the Members in January 2011, requiring DROP participants to pay pension contributions beginning in October 2011. Other Members were also present and spoke to the Board.

The Board went into a closed executive session – legal at 11:45 a.m.

The meeting was reopened at 12:05 p.m.

No motion was made.

* * * * *

The meeting was recessed at 12:05 p.m.

The meeting was reconvened at 12:16 p.m.

* * * * *

4. Hearthstone

No discussion was held.

No motion was made.

**Regular Board Meeting
Thursday, July 14, 2011**

* * * * *

5. Approval of Earnings Test

- a. Thomas E. Devine, Fire
- b. Jeffrey D. Livingston, Police

Mr. Rohan explained that Section 6.03 (k) of the Plan requires the System to test the outside earnings of any Pensioner who first became a Member of Plan B on or after May 1, 1990 and who is receiving a disability pension. If a disability Pensioner's total earnings plus disability benefits received from the System during the prior year exceed the annualized amount of the average of Computation Pay being received by the Pensioner as of the date the Pensioner left Active Service, the pension amount payable over the next 12 months shall be reduced dollar for dollar by the amount of the overage. For the purposes of this calculation, the Pensioner's average Computation Pay is deemed increased at the rate of 4 percent as of January 1 of each year the Pensioner receives the disability pension.

In accordance with Section 6.03 (k) of the Plan, staff has tested the current disability pension and outside earnings, as supported by their Federal income tax return and Form W-2, of Thomas Devine, retired Firefighter and Jeffrey Livingston, retired Police Officer. The disability pension benefit of each is subject to change based on earnings received in 2010.

After discussion, Mr. Mays made a motion to approve the earnings test calculations and recommendations for Thomas E. Devine and Jeffrey D. Livingston. Mr. Friar seconded the motion, which was unanimously approved by the Board.

* * * * *

6. Possible revisions to the following Board policies

- a. Policy Against Sexual Harassment
- b. System Employee Personnel Policy

This item was postponed until the August 11, 2011 Board meeting.

* * * * *

**Regular Board Meeting
Thursday, July 14, 2011**

7. Investment and financial reports

- a. Group Trust's monthly asset allocation report and recommendations for rebalancing the Group Trust's investment portfolio
- b. Group Trust's monthly unitization report
- c. Performance report unaudited draft
- d. Unaudited statements of net assets available for benefits

After discussion, Mr. White made a motion to receive and file all of the investment and financial reports listed above. Mr. Mays seconded the motion, which was unanimously approved by the Board.

* * * * *

8. 2010 annual report

Staff provided a draft of the 2010 Annual Report of the Police and Fire Pension Plan of the City of Dallas.

After discussion, Mr. Friar made a motion to approve publication of the 2010 Annual Report, subject to final review and approval by the Administrator and legal counsel. Mr. Mays seconded the motion, which was unanimously approved by the Board.

* * * * *

9. 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. **Conference:** PRB Annual Seminar
Dates: June 13, 2011

Messrs. Davenport, White

- b. **Conference:** NAPPA Legal Education Conference
Dates: June 22-24, 2011

Mr. Mond

- c. **Video Training:** Open Meetings Act, Public Information Act
Dates: July 13, 2011

Mr. White

**Regular Board Meeting
Thursday, July 14, 2011**

9. Staff and Board Members' reports on due diligence meetings, seminars and/or conferences attended (continued)

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

* * * * *

10. Employee recognition – Second Quarter 2011

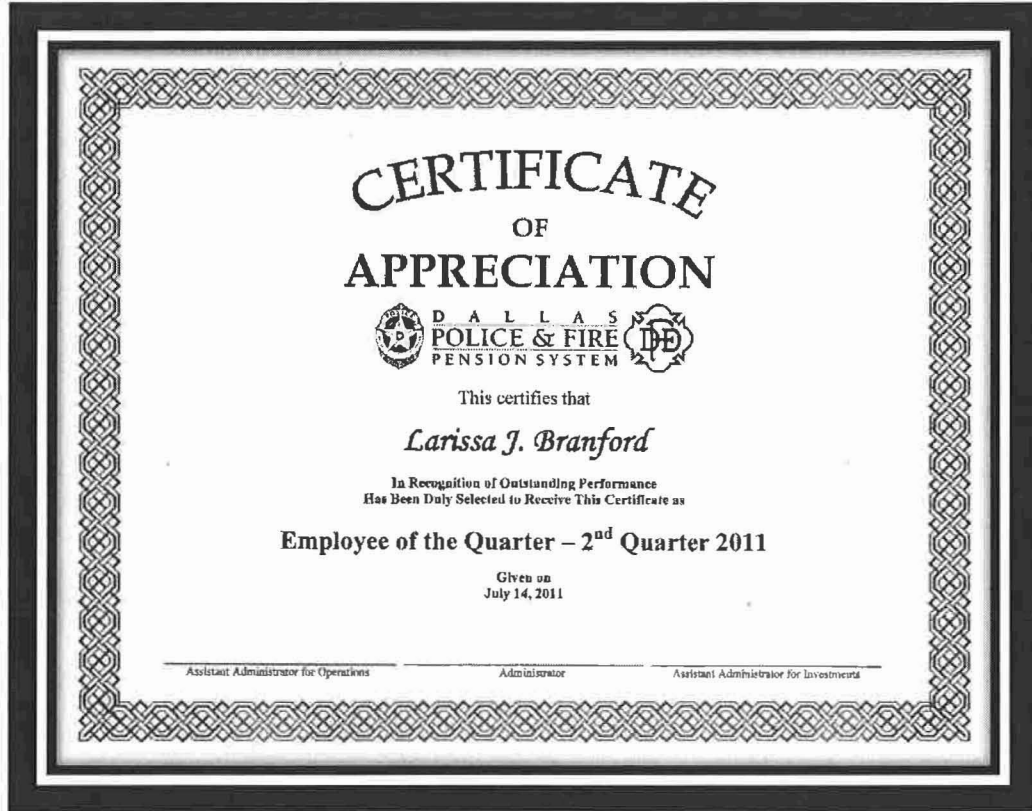
- a. Employee Service Award
 - b. Employee of the Quarter award
- a. Mr. Tomasovic, Chairman, and Mr. Rohan, Assistant Administrator, presented an Employee Service Award to Jerry Chandler, Systems Analyst, for ten years of service.



- b. Messrs. Tomasovic and Rohan presented a performance award for Employee of the Quarter, First Quarter 2011, to Larissa Branford, Accountant.

Regular Board Meeting
Thursday, July 14, 2011

10. Employee recognition – Second Quarter 2011



No motion was made.

* * * * *

11. Preliminary agenda for the annual Board/Staff Workshop to be held on October 24 - 27, 2011

An updated preliminary agenda for the 2011 annual Board and staff workshop was presented for the Board's further consideration.

After discussion, Mr. Mays made a motion to receive and file the agenda. Mr. Friar seconded the motion, which was unanimously approved by the Board.

* * * * *

**Regular Board Meeting
Thursday, July 14, 2011**

12. 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.

* * * * *

13. Recurring returned mail from members

Mr. Rohan reported that the System distributes newsletters each month to approximately 5,500 Active Members and receives hundreds of pieces returned each month, much of it recurring month after month from Members who have failed to update their home address with their department. Not only is postage wasted on each piece of returned mail, but, more importantly, we are unable to communicate with these Members.

After discussion, Mr. Mays made a motion to direct staff to try alternative means of contact to get updated addresses. Mr. Friar seconded the motion, which was unanimously approved by the Board.

* * * * *

C. BRIEFING ITEMS

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

Michael Barrett, Active Firefighter, addressed the Board.

No motion was made.

* * * * *

Regular Board Meeting
Thursday, July 14, 2011

2. Administrator's report

- a. Associations' newsletters
 - NCPERS Monitor (June 2011)
 - TEXPERS Outlook (July 2011)
- b. Future continuing education and investment research programs and conferences

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

Mr. Friar made a motion to receive and file the Administrator's Report. Mr. Mays seconded the motion, which was unanimously approved by the Board.

* * * * *

The Assistant Administrator stated that there was no further business to come before the Board. On a motion by Mr. Friar and a second by Mr. Mays, the meeting was adjourned at 1:04 p.m.

[signature]

George J. Tomasovic
Chairman

ATTEST:

[signature]

Richard L. Tettamant
Secretary

**Regular Board Meeting
Thursday, July 14, 2011**

THIS PAGE WAS INTENTIONALLY LEFT BLANK