

# Pension Update

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A Publication of the Dallas Police and Fire Pension System



D A L L A S  
**POLICE & FIRE**  
PENSION SYSTEM



## Condolences



The recent deaths of two young Police Officers were both tragic and unexpected. The Pension System staff members offer our sincerest sympathies to the family, friends, and co-workers of Officer Patrick Metzler and Officer Sterling Jones.

Patrick Metzler worked for the Dallas Police Department for approximately 8½ years. He died October 23 while directing traffic in a construction area on Central Expressway. Patrick was unmarried and had no children.

Sterling Jones had completed 29 weeks of the 32-week Police Academy training course and was scheduled to graduate November 22. Sterling died November 1 while training at the Police Academy. Sterling also was unmarried and had no children.



*Our sincerest condolences to the family, friends, and coworkers of Officer Sterling Jones and Officer Patrick Metzler, two young men who each recently died while in Active Service with the Police Department.*

## Survivor Benefits

As most Active Members know, your Qualified Survivors will receive pension benefits if you die while on Active Service. Less well understood, because the occurrence is rare, is what happens when a Member dies leaving no Qualified Survivors.

In such situations, the Pension System pays a lump sum survivor benefit to the deceased Member's estate, or if none, to the Member's heirs living at the time the benefit becomes payable. The lump sum amount is the actuarial equivalent of a monthly benefit paid for 120 months (10 years) and is based on 50% of the benefit the Member would have received if the Member had retired with a minimum of 20 years of Pension Service.

These provisions apply when a Member:

- Dies while on Active Service
- Has not joined DROP and
- Has no eligible surviving Spouse, Child, or Dependent Parent

The Survivor Benefit provisions can be complicated depending on your circumstances and cannot be fully explained here. The important thing to know is that the Plan provides for survivor benefits after your death whether or not you have qualified survivors as defined in the Plan Document. Contact a Benefits Counselor for more information or review the "Survivor Benefits" section of the *Member Handbook*. You may access the *Member Handbook* at the Pension System's Web site at [www.dpfp.org](http://www.dpfp.org).

# PREP Helps You Plan for Retirement

The last PREP (Pre-Retirement Education Program) session for the year was held at the Pension System offices on November 13th. Fifty-nine Police Officers, Firefighters, and Spouses attended. Our lineup of informative speakers and topic included the following:

- Don McMillan, Pension System benefits
- Deborah Plashko, Fidelity 401(k) and 457 plans
- Evaleen Davis, wills and estates
- Tom Clark, Social Security benefits
- Denny Burris, survivor benefits
- Pat McGennis, health insurance
- Neil "Doc" Gallagher, retirement investing

Going to PREP early in your career helps you start planning, going mid-career allows you to determine if you are still on track, and a near-retirement session allows you to determine how to best use your accumulated assets.

Craig Johnson and his wife, Mia, were two of the attendees in November. Their attendance is an example of a mid-career assessment. Craig has worked for the Police Department for more than 15 years and said that he is not thinking of retiring very soon. He and Mia wanted information to make financial plans that include seeing a three-year-old through college. Mia is employed, and they both already have 401(k) and 457 retirement savings in addition to Craig's pension benefit.

Key points for Craig and Mia included the following:

- Considering the 100% joint and survivor option, which would keep pension payments to Mia level (100%) if Craig predeceases her after retirement, instead of dropping by 50%
- Analyzing all the pros and cons about joining DROP, including giving up the option for a service disability if Craig is injured on the job
- Reducing their expectations of Craig's Social Security benefit because most of Craig's work history is with the Police Department

Craig also wants to make sure that he has enough retirement income to pay greens fees when he starts golfing every day!

To start your retirement planning, reserve space in one of the 2003 PREP sessions. You must have five or more years Pension Service. The Pension System provides all materials and lunch, and we encourage you to bring your Spouse. Sessions are limited to 60 participants, including spouses. To attend, you must send a \$20 refundable registration deposit. If you attend the full day, your check will be returned. For reservations, call the Pension System at 214.638.3863 or 1.800.638.3861.

***Join us at PREP, and prepare for your future!***



*Attorney Evy Davis sheds some light on the complex topic of wills and estate planning.*



*Brad Deason, Craig Johnson, and Mia Johnson listen closely for the information about retirement options that will be the most helpful for their situations.*



*Fire Chaplain Denny Burris, a favorite speaker, brings humor to the serious topic of survivor benefits.*

## News Briefs

- **IRS Changes**—Each year, the federal government uses changes in the CPI (Consumer Price Index) to adjust Social Security benefits with a COLA (cost-of-living adjustment). Based on the 2003 federal cost-of-living adjustment (COLA), retired Members eligible for Social Security benefits will see an increase of 1.4% beginning January 1, 2003.

The IRS sets limits on the maximum contributions that you can make to 401(k) and 457 retirement savings. For 2003, the limit for contributions increases from \$11,000 to \$12,000. Special provisions allow some participants who are close to retirement to contribute as much as \$24,000 per year. Contact your City plan administrators for more information.

- **Keep Your Address Current**—The Post Office often returns correspondence mailed to Members from the Pension System office due to incorrect addresses. Important information, such as your Annual Pension Statements, Trustee Election information, *Pension Update* newsletters, and the *Condensed Annual Report* are mailed to your home address. You need this information to stay informed.

The Pension System receives address changes from the City. Active Members must report any change of address to their Department Payroll office and to the City of Dallas. When the City of Dallas has your current address in its system, the City sends the change to the Pension System through the payroll reporting process.

- **Pension Service Purchases**—The Pension System no longer uses a lock box at our custodial bank, as it did previously. To make a Pension Service Purchase, please send your check directly to the Pension System office at 2301 N. Akard St., Ste. 200, Dallas, TX 75201.
- **2003 PREP Sessions**—Call the Pension System office to make a reservation, 214.638.3863.
  - *Thursday, February 27 (C-Shift)*
  - *Thursday, May 15 (A-Shift)*
  - *Wednesday, June 18 (B-Shift)*
  - *Thursday, August 21 (C-Shift)*
  - *Thursday, September 18 (A-Shift)*
  - *Thursday, November 6 (B-Shift)*

## ■ Pension System Calendar

- *November 28–29*—Thanksgiving Holiday, Pension System office closed



- *December 12*—Board of Trustees meeting
- *December 25*—Christmas Day, Pension System office closed

- **We Are Here to Help**—We do our best to provide clear, understandable information. If you have a question about your Pension, see our Web site at [www.dpfp.org](http://www.dpfp.org) or call 214.638.3863.

- **Benefits Counseling Services**—If you are considering retiring or joining DROP (Deferred Retirement Option Plan), schedule your benefit counseling session at least 60 days before your planned retirement or DROP date. Call us two weeks in advance of when you would like your session so we can prepare your personalized pension information.

## ■ Benefits Contacts

- *Health and Life Benefits*—City of Dallas Benefit Service Center, 1.888.873.7692
- *Pension Benefits and Retirement Information*—[www.dpfp.org](http://www.dpfp.org), 214.638.3863, or 1.800.638.3861

## Look Who Retired This Month... Congratulations Retirees!

### Police Department



*Stephen K. Olson*

*John W. Sullivan*







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**Staff Profile – Tonia Martinets**



*Tonia Martinets  
 Receptionist*

Tonia Martinets joined the Police and Fire Pension System staff as our receptionist in March 2002. When you call the Pension System office, her cheerful voice probably will be the first to greet you.

Tonia knows a little bit about everything that happens at the Pension System office and can put your call through to the right person. If you are calling to make a reservation for PREP (pre-retirement education program) or request forms, she will take care of your request herself. Tonia also gives directions to the Pension System and greets Members who come

for counseling sessions. In addition, Tonia notarizes documents, orders office supplies, sends packages, and assists other staff members.

Tonia studied health sciences at Del Mar College in Corpus Christi. She earned a Substitute Teaching Certificate, and she owned a daycare. She says that any job she takes must involve interaction with other people. “I’m not the type to lock myself in an office all day.” About her career, Tonia admits, “I still don’t know what I want to be when I grow up. But in the meantime, I always enjoy and take pride in what I do for a living.”

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