



D A L L A S
POLICE & FIRE
 PENSION SYSTEM



PENSION NOTES



Herbert and Millie Cavender at the meeting of the Retired Police and Fire Fighters Association

*Dallas Police and Fire Pension System
 Volume 2005.09, September 2005*

Message from the Chairman

By Gerald Brown, Chairman of the Board and Fire-Rescue Trustee



The Board of Trustees strives to keep you informed on issues regarding the Pension System.

We have received some inquiries after the Pension System was mentioned in recent press reports regarding an ongoing federal investigation at Dallas City Hall.

The Board of Trustees takes our fiduciary commitment very seriously. Our investments are managed by registered investment advisors. The Pension System has checked with our investment managers, and we have never done business with anyone negatively mentioned in the newspaper articles.

As part of our investment process, if someone contacts a Trustee or staff to promote an investment opportunity, we refer that individual or group to one of our investment managers experienced in the kind of investment offered. If interested, the manager performs the due diligence necessary to determine whether the investment has merit and, if appropriate, bring the investment to the Board for consideration.

Don Hill and Dr. Maxine Thornton-Reese both serve as City Council-appointed members of our Board of Trustees. They have always represented the City and the Pension System well.

Gerald Brown
Chairman of the Board and Fire-Rescue Trustee

Fire Memorial Events Planned

*By Richard Wachsman
 Fire Pensioner Trustee*



October is the month that has been set aside to honor fallen firefighters. There are both local and national commemorations to honor firefighters who have lost their lives in the line of duty.

Local Memorial

There will be a memorial service for firefighters who lost their lives in service to Dallas. This ceremony will be at 10 a.m., Saturday, October 22 at the Fire Memorial on the grounds of the Fire Training Academy, 5000 Dolphin Road in Dallas.

All of the names on the monument will be read, and attending family members will place wooden crosses at the base of the monument.

Over the past year, the Brick Walk of Honor has been constructed immediately in front of the Fire Memorial Monument. The walkway features bricks engraved with the names of retired, uniformed members of the Dallas Fire-Rescue Department. Also, enhancements to the Fire Memorial have recently been completed.

The Walk of Honor and the enhancements to the Fire Memorial will be dedicated during the program.

National Memorial

On the week-end of October 7-9, the National Fallen Firefighters Association will hold their 24th Annual Memorial Weekend in Emmitsburg, Maryland, the site of the official national monument to all fallen firefighters.

See "Fire Memorial Services" on page 2

"Fire Memorial Services" (continued from page 1)

The weekend begins on Friday with registration for families, escorts, and honor guard members. During Saturday's Family Day, survivors of fallen firefighters will spend time with others who truly understand.

Motorcyclists from across the country will participate in the Red Helmets Ride on Saturday. Family Day will end with a beautiful candlelight service.

Sunday will begin with families passing through a Sea of Blue, with fire service personnel proudly standing shoulder to shoulder to show their respect. Thousands are expected to attend the public tribute honoring the firefighters who died in the line of duty. The public is invited to attend the National Memorial Service on Sunday morning, October 9.



Richard Wachsman, Fire Pensioner Trustee



Dallas Fallen Firefighters Monument

Pension System Calendar

Oct. 13 - Regular Board Meeting

Nov. 3 - Pensioner Financial Seminar

Nov. 6 - Retired Police and Firefighter Association Meeting

Nov. 24, 25 - Thanksgiving Holiday (Pension System office closed)

Pension System's Budget First Public Hearing October 13

The Board reviewed the 2006 Administrative and Professional Services budgets at its September 8th meeting. First reading of the budget will be at the October 13th Board meeting. The second and final reading will be at the November 10th meeting.

The proposed budget may be changed or amended at either the October or November meetings. These meetings are opportunities for you to provide input to the Board. The budget will be considered on each date at 10 a.m. at the Pension System office, 2301 N. Akard Street, in the first floor Conference Room.

Overview

The Police and Fire Pension System had \$2.49 billion in assets at market value as of December 31, 2004. In 2004, the System received \$100.1 million in contributions and \$328.7 million in investment and other income and paid out \$103.4 million in benefits and refunds.

The proposed budget covers the period from January 1, 2006, through December 31, 2006. The proposed Administrative Budget is \$3.04 million, and the proposed Professional Services Budget, before Investment Manager Fees, is \$2.1 million. Investment Manager Fees are estimated at \$12.5 million.

Administrative Budget

The Administrative Budget includes the expenses necessary for the everyday operations of the System. The proposed Administrative Budget increased 9.6% compared to the 2005 budget, primarily to fund a new investment accountant position and a temporary half-time benefits counselor.

Professional Services Budget

Noninvestment Manager Fees

This section of the budget funds expenses for professional services provided by outside vendors,

including consultants that monitor and advise the Board regarding investment performance. The Board enters into contracts as necessary to assist the System in carrying out the functions of administering the System.

The noninvestment manager fees portion of the budget reflects an increase of 4.9 % compared to the 2005 budget.

Investment Manager Fees

This section of the budget includes fees for the more than 20 investment professionals hired by the Board to manage and invest the System’s assets. Fees paid to investment managers are budgeted on a percentage of the market value of the assets invested. As the market value increases, so do the fees.

New projects in the proposed budget include an interactive, Internet-based Member services program, allowing on-line access to Member retirement information and benefit estimates.

Summary

Budgets and operating costs for defined benefit plans, such as the Dallas Police and Fire Pension System, often are measured as a percent of the market value of the assets. The goal of pension systems like ours is to operate at 1.0% or less of assets. The projected total of all costs (administrative, professional services, and investment manager fees) is approximately \$17.6 million. The total costs of operating the Pension System will be approximately 0.71 % of the System’s market value (\$2.49 billion as of December 31, 2004).

Questions

If you have questions or comments about the proposed budget, call the Pension System office at 214.638.3863, call your Board Members, see our Web site at www.dpfp.org, or attend the October and November Board meetings. If you would like to see the complete budget packet as presented to the Board at the October Board meeting, call the Pension System office, and ask for Richard Tettamant or Don Rohan.

Late Pension System Employee Honored



William G. “Jerry” Baldree

The Pension System’s employee of the year award has been renamed the “William G. Baldree Award,” in memory of our former auditor, Jerry Baldree, who passed away in April.

At the Board meeting on September 8, Chairman Gerald Brown made a presentation to Mr. Baldree’s widow, Gayle Baldree, in recognition of Jerry’s service.

A portion of the proclamation reads: “William G. Baldree worked diligently during his entire career to effectively control and accurately report the innumerable financial transactions of the Dallas Police and Fire Pension System, and ...never lost sight of his ultimate duty to the firefighters and police officers of the City of Dallas and their survivors.”



Chairman Gerald Brown (right) and Administrator Richard Tettamant (center) make a presentation to Gayle Baldree, (left).

Congratulations Retirees!



Fire-Rescue
Jerry R. Boren

Police

- Jeff E. Cammon
- Jackie P. Doyal
- Gordon F. Dreyfus
- Douglas L. Holmes
- Amy B. Trippel



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Published by
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Retired Police and Fire Fighters Association

Fifty-six retirees and spouses gathered at the Salesmanship Club for fellowship, potluck lunch, program, and door prizes at our retiree's monthly luncheon on September 4th. Diane Dhority's aunt, Laverne Schell, widow of W.

B. Schell, joined us.

Guests Jennifer and Gary Glidden of San Diego, CA accompanied members Jean and Nelda Landess. Gary, a Veteran's Administration benefits specialist provided Veterans benefits information to some of our veteran's members.

Odell Hobbs, our telephone chairperson, needs telephone helpers to call and update members about our monthly meetings. Please help out and contact Odell at 972-285-6456 for additional information.

All retirees and spouses are invited to join us at our October 2nd meeting.

A handwritten signature in black ink that reads 'Dick Langran'.

Dick Langran, President

Burial Fund Premium Increased

The Board of Directors of the Otis E. Buck Banks Burial Fund met in July. The Board recommended and passed a resolution to increase the membership premiums from \$2.00 a month per member to \$3.00 per month per member. This will be applicable for Members and Spouses who are members. The \$3000 death benefit remains the same.

In Memoriam:



Mattye L. Bohart
Widow of James A. Bohart
Police - Retired

Stavis Ellis
Police - Retired

Ernest A. Emerson
Fire - Retired

Mary E. Pannell
Widow of Robert E. Pannell
Police - Retired



Doyle D. Ramsey
Fire - Retired

John D. Spence
Fire - Retired

J. C. Wilson
Police - Retired

Community Calendar of Events

Provided by Your
Pensioner Advocate Gale Paul
Call 214.382.4422 or 1.800.638.3861



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October 2005

Hello! We're approaching annual enrollment time for City of Dallas Health Insurance. On September 7, 2005, the City Manager and Human Resources presented their proposal for Employee/Retiree Health Care to the City Council. On September 28, 2005, the City Council votes on the FY2005-2006 budget, which includes the health care package.

Highlights from the September 7, 2005 briefing include:

- 1) "Recommendation to approve an agreement with United Healthcare at the September 28, 2005 Council meeting." (Effective 1-1-06, PPO Plans and Prescription Plans would be administered by United Healthcare instead of Humana.)
- 2) "The 2006 rates are proposed to remain the same with the exception of the HMO rates." (Remaining the same includes PPO, AARP, and Prescription Plans.)
- 3) "Blue Cross/Blue Shield administers the City's HMO Plan and participating employee cost are expected to increase by 21% in 2006."

Now, more information, not included in the briefing material:

AARP Plan J as offered now, with the limited Prescription benefit, will be closed to new applicants effective 1/1/06. People enrolled in Plan J as of the end of 2005 will be grandfathered. HOWEVER, Please know that AARP's Plan J Prescription Program is not equal to or better than Medicare's Part D Prescription Drug Plan. THEREFORE, if at a later date you drop Plan J and sign up for Medicare's Drug Plan, you will pay a higher premium. (A penalty for late registration to Medicare's Drug Plan.)

The City's PPO Plans do not supplement Medicare. In 2003, the City of Dallas changed from supplementing Medicare to in-coordination with Medicare. This means you must first pay the out-of-pocket maximum before the PPO Plan pays. Example: 80/20 PPO \$1,000 deductible translates to a \$4,000 in-network deductible and a \$8,000 out-of-network deductible for persons with Medicare.

AARP Plans F and J do supplement Medicare. Both plans pay the remainder of Medicare-Approved amounts and above Medicare-Approved amounts.

Also, Medicare's Part D Prescription Drug Plan is available to anyone with Medicare. No income requirements and no age requirements. (Lower income individuals may qualify for no monthly premium and/or no co-pay. Other income levels will pay the \$37.00 monthly premium and the co-pays.)

Gale

Pensioner Financial Seminar

The next Pensioner Financial Seminar is scheduled for November 3 in Grand Prairie, at the Ruthe Jackson Center, 3113 S. Carrier Parkway. The seminar topics include trusts, investments, power-of-attorney, wills, probate, survivor benefits, health insurance, and more. Also, Medicare's prescription drug plan will be discussed. Breakfast and lunch are included. A deposit of \$20 is required to register, and will be returned upon completion of the class. To register or for more information, please call at 214.382.4422 or 1.800.638.3861.

New Service from DRFFA

The Dallas Retired Fire Fighters Association has established an email distribution service for the purpose of transmitting relevant information and announcements to our membership. This service will not be a forum or chat group. Information relating to the Dallas Fire Rescue family, e.g. retirement parties, hospital lists, deaths and funerals, etc. may be sent to drffa@hotmail.com for distribution. If you are a member of DRFFA, are not receiving the emails from this address and would like to be on the list, please email your request to drffa@hotmail.com.

A Message from Jess Lucio: DPD Commemorative Book Update

We have met our sales goal and the production of the book is on track. If there are no problems at the printer, we expect to have the books available by the second week in December. Remember, we cannot mail out any of the books. We do not have the money to cover that expense. So, plan to come by the Police HQ to claim your book or have a friend pick it up for you and make arrangements to get it to you.

Free Flu Shots

Free Flu Shots are available for those 60 & older at a Senior Health Fair & Expo, 9:00 a.m. to 3:00 p.m., Tuesday, October 4, 2005, at the Arlington Convention Center, 1200 Ballpark Way. For more information, www.FluBugNews.org or call 211.

Oktoberfest in Plano

The Plano Senior Center presents Oktoberfest, Friday, October 7th, 11 a.m. to 4 p.m.. Celebrate German heritage with polka, games, and German cuisine! Plenty of ROOT BEER, sausage, bratwurst, sauerkraut, and more. Cost is \$8.00. The event is open to adults 55 and older living in or outside of Plano. RSVP: Plano Senior Center, 972.941.7155. They are located at 401 W. 16th Street in Plano.

Let's Get Together...

"Young at Heart" Monthly Lunch Group

(for Police & Fire Widows & Widowers)

Wednesday, October 26, 11 am - 1 pm

Golden Corral, 1902 Towne Center Drive, Mesquite

Speaker: Lonzie Green,

Mgr. Human Resources, City of Dallas

Topic: 2006 Health Insurance

Retired & Active Police Officers

Monthly Breakfast

Thursday, October 27, 9 am

Chubby's, Jupiter and E Northwest Hwy, Dallas

Annual Burglary & Theft Retirees Luncheon

(Spouses are also invited)

Thursday, October 27, at 11 a.m.

Furr's Cafeteria, Saturn & NW Highway, Garland

Dallas Retired Police and Fire Fighters Association

Monthly Meeting and Pot Luck Dinner

Sunday, November 6, 1:00- 2:30 p.m.

Salesmanship Club, 106 E. 10th Street, Oak Cliff

Retired Firefighters Lunch Group

Tuesday, November 8, 11:00 am

Fire Museum at Fair Park