



PENSION NOTES



Oleta and Herb Steele

Volume 2004.12, December 2004
Dallas Police & Fire Pension System



The Pension System's Role in Pensioner Health Insurance

The Pension System has received many calls from Pensioners who were concerned about their health insurance coverage and the health insurance enrollment process. While we are sympathetic to Pensioner's concerns, the Pension System plays only a limited role in your health insurance.



*Richard Tettamant,
Pension System
Administrator*

The City of Dallas establishes and controls the health insurance process. The City contracts with insurance companies for Pensioner health insurance coverage, determines the Pensioner's cost of benefits, and administers the benefit programs. As you know, health insurance costs continue to skyrocket. And City budget issues have constrained the City's ability to pick up the costs.

The System is not involved in determining health insurance coverage, costs, or dissemination of services. The System's role is to advise the City when a Member completes a retirement application. Then, the City tells the Pension System the amount to deduct from each Member's pension

benefit for insurance premiums. When possible, the System helps the City communicate enrollment and other health insurance information through the System's monthly newsletter and Web site.

If you have health insurance questions, contact the City Benefit Service Center at 1.888.873.7692. You may address your concerns about coverage and enrollment issues to City management. If you are experiencing problems with the enrollment process or have general questions, the System's Pensioner Advocate Gale Paul may be able to help you.

At the Pension System, we continuously review our procedures to see how we may assist you. We assure you, our Members, that we will continue to work closely with the City to provide the best possible service to you.

Happy New Year!

—Richard L Tettamant,
Administrator



INSIDE

Investment Returns

2

New Retirees

2

Diversified Investments

3

In Memoriam

3

Calendar

3

Association News

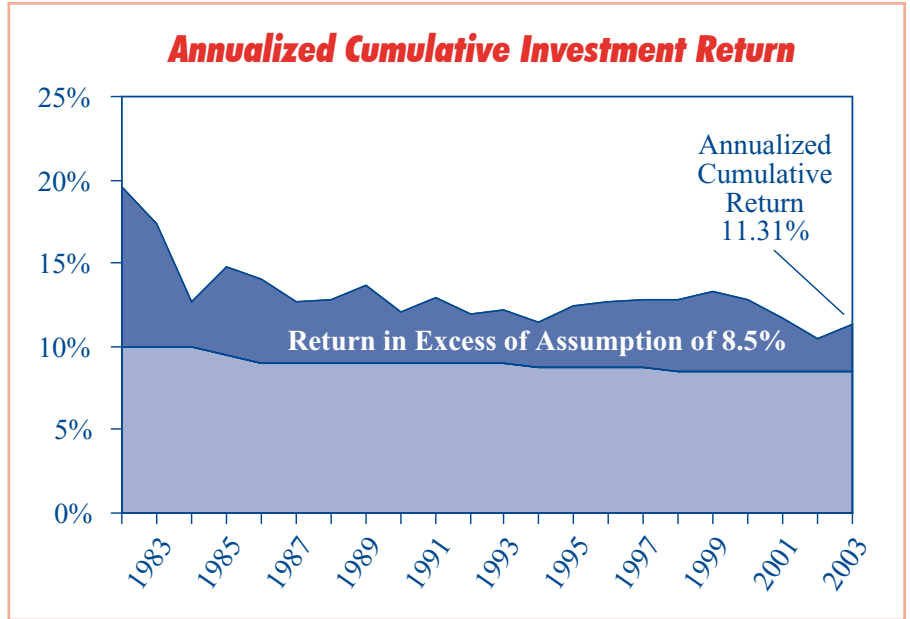
4

Cumulative Return on Investment

The Pension System's cumulative return on investment has consistently exceeded the long-term investment return assumption. In 2003, the System's 11.31% 22-year annualized cumulative return again exceeded the long-term investment return assumption of 8.50%.

In 2003, the System achieved an investment return of 31.41%, ranking the System in the top 1% of funds tracked by Callan Associates Inc.'s (CAI) Corporate Plan Sponsor Database. Perhaps the most impressive performance number is the System's 10.33% annualized return over the last 20 years. This ranks the System in the top 10% of all funds in the CAI survey.

During 2003, the market value of the System's assets increased from \$1.66 billion to \$2.18 billion at December 31, 2003.



The graph above shows the System's 22-year cumulative investment return.

Keep Your Address Current

Pension System

If you change addresses, you must inform the Pension System in writing using the Change of Address form. This form can be found on the Pension System's Web site, www.dpfp.org. Or you may call the Pension System office, and we will mail a form to you. You must sign and date the form and mail it to the Pension System. For security purposes, the Pension System cannot accept faxed change of address information.

Benefit Service Center

If you have City health insurance and you change addresses, you also must provide your new address to the Benefit Service Center. You can contact the Benefit Service Center at 1.888.873.7692.

Congratulations Retirees!



Police Department

Theodore H. Bedsole
Charles T. Grady

Fire Department

Karen L. Bass
Susan A. Drake
Derek M. Moore



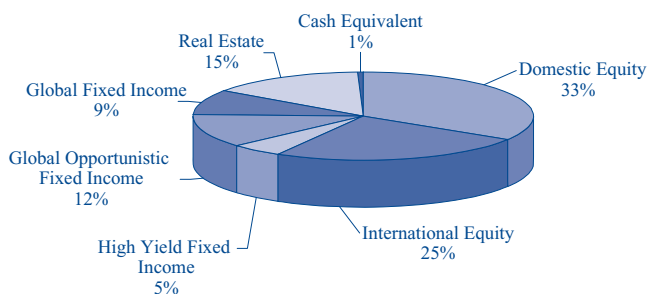
Diversifying Our Investments

The Pension System's investment policy is to diversify investments to provide stability and growth. This policy includes a prudent asset allocation plan that maximizes return and preserves asset value.

Pension System investments are diversified among various asset classes, including common stocks, bonds, real estate, foreign securities, and short-term cash instruments. Each month, the Board reviews market returns for each investment category and reallocates funds according to the planned asset allocation percentages. This strategy and the use of multiple managers employing different investment styles has kept the System's long-term performance on track, significantly outperforming the actuarial rate of 8.5%.

The Pension System's goal is to provide benefits to Members, Pensioners, and their beneficiaries through a carefully planned and executed investment program.

Asset Allocation as of December 31, 2003



Pension System assets were diversified into the categories shown above as of December 31, 2003.



In Memoriam

Thirlo J. Dann
Retired Firefighter

Odel L. Duvall
Retired Firefighter

Letha F. Goodell
*Wife of Retired Police Officer
Perry R. Goodell*

Hazel J. Griffith
*Widow of Retired Police Officer
Charles T. Griffith*

William W. Lee
Retired Firefighter

Virginia Leonard
*Widow of Retired Police Officer
Tyree B. Leonard*

Hazel Marie Moore
Widow of Firefighter George C. Moore

Thelma Pettigrew
*Widow of Retired Police Officer
Hugh E. Pettigrew*

Charlene Reed
*Wife of Retired Police Officer
Hugh J. Reed*

Dillard H. Seale
Retired Firefighter

Pension System Calendar

- **January 2**—Retired Police and Firefighters Association meeting
- **January 11**—Retired Firefighters Luncheon, Furr's Cafeteria, Garland
- **January 13**—Board of Trustees meeting
- **January 17**—Martin Luther King Day, Pension System office closed
- **January 20**—Board of Trustees meeting
- **February 6**—Retired Police and Firefighters Association meeting
- **February 10**—Board meeting

Board of Trustees

Gerald Brown,
Chairman

Steven G. Shaw,
Vice-Chairman

Gary W. Edge,
Deputy Vice-Chairman

Donald W. Hill

John M. Mays

Rector C. McCollum

Maxine Thornton-Reese

George J. Tomasovic

Steven H. Umlor

Richard H. Wachsman

Richard L. Tettamant,
Administrator

Brian F. Blake,
Assistant Administrator

Donald C. Rohan,
Assistant Administrator

From the Retired Police & Firefighters Association

The Retired Police and Firefighters met Sunday, December 5th at the Salesmanship Club, 106 East 10th Street in Oak Cliff.

There were 83 members and three visitors. We had a great Christmas meeting with lots of good food.

We had a great time and gave away many door prizes. The Police Choir was there and sang beautifully, as usual. We even had some folks from East Texas. We loved seeing them! All Fire and Police Pensioners and survivors, join us whenever you can.



The Police Choir sang at the December meeting.



Paul & Mozelle Bentley and Myrtle Graves Holder & Jerry Holder.

Come to our next meeting on January 2nd. It starts at 1 p.m.

—Jim Leavelle, President



Published by

Dallas Police & Fire Pension System
2301 North Akard Street, Suite 200
Dallas, Texas 75201

Call us at:

214.638.3863 or
1.800.638.3861

Visit our Web site at:

www.dfpf.org

E-mail us at:

info@dpfp.org

Happy Holidays