

**Dallas Police and Fire Supplemental Pension Fund**  
**Thursday, September 10, 2009**  
**8:30 a.m.**  
**Second Floor Board Room**  
**4100 Harry Hines Suite 100**  
**Dallas, Texas**

Supplemental meeting, Gerald Brown, Chairman, presiding:

**ROLL CALL**

**Board Members**

**Present:** Jerry R. Allen, Gerald Brown, John M. Mays, Rector C. McCollum, David A. Neumann, Richard A. Salinas, Steven G. Shaw, George Tomasovic, Steven H. Umlor, and Richard H. Wachsman

**Absent:** Dwaine R. Caraway and Pauline Medrano

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

**Others** Gary Lawson, Wayne Antrobus, and Warren B. Wilson

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

The meeting was reconvened at 3:13 p.m.

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**A. CONSENT AGENDA**

**Approval of Minutes**

Regular meeting of August 13, 2009

After discussion, Mr. Shaw made a motion to approve the minutes of August 13, 2009, subject to the final review and approval of the Administrator. Mr. Tomasovic seconded the motion, which was unanimously approved by the Board.

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**Supplemental Board Meeting  
Thursday, September 10, 2009**

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

**1. Group Trust's monthly unitization report**

The monthly unitization report was not available. No motion was made.

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**2. Presentation and discussion of 2010 Supplemental Fund Budget**

Staff presented a draft of the initial budget proposal for Supplemental Plan for Calendar Year 2010, as required by the System's budget preparation procedures. The Administrative and Audit Advisory Committee (AAAC) reviewed the budget proposal at its August 6, 2009 meeting and approved its presentation to the Board with no recommended changes. Though Supplemental Plan assets are co-invested with Combined Plan assets under unitization, a separate budget is maintained to track expenses. Through unitization, expenses are allocated to the Supplemental Plan as incurred based on the ratio of Supplemental Plan assets to total System assets. On this basis, expenses to be allocated to the Supplemental Fund for 2010 are projected to be \$287,938, an overall 6.1% decrease from 2009. Details are as follows:

Administrative Expenses	\$32,180
Professional Services Expenses	
Non-Investment Management Fees	\$25,055
Investment Management Fees	<u>\$230,724</u>
Total Supplemental Plan Expenses	\$287,938

After discussion, Mr. Shaw made a motion to authorize the first reading of the Calendar Year 2010 Supplemental Plan Budget at the October 8, 2009 regular meeting of the Board. Mr. Tomasovic seconded the motion, which was unanimously approved by the Board.

**3. Annual adjustments for pensioners and survivors to be effective October 1, 2009**

Mr. Tettamant stated that Section 6.01(c) of the Supplemental Plan provides for certain benefits to be paid to Members of the Supplemental Plan and their Qualified Survivors as such benefits are paid to Members and Survivors of the Combined Plan. Accordingly, Members and Survivors of the Supplemental Plan are eligible to receive the annual adjustment as of October 1 of each year in an amount equal to four percent (4.00%), not compounded, of the original base Supplemental Plan amount.