

AGENDA



Date: July 6, 2007

A meeting of the Dallas Police and Fire Pension System Actuarial Funding Committee will be held at **8:30 a.m. on Thursday, July 12, 2007 in the First Floor Conference Room at 2301 North Akard Street, Dallas, Texas.** Items of the following agenda will be presented to the Committee:

DISCUSSION OF ITEMS FOR INDIVIDUAL CONSIDERATION

- 1. Review and consideration of proposed goals for actuarial funding**
- 2. Review and consideration of possible change to the investment rate of return assumption**
- 3. Review and consideration of possible plan amendments**

The term "possible action" in the wording of any Agenda item contained herein serves as notice that the Committee may, in its discretion, dispose of any item by any action in the following non-exclusive list: approval, disapproval, deferral, table, take no action, and receive and file.

At any point during the consideration of the above items, the Committee may go into Closed Executive Session as per Texas Government Code, Section 551.071 for consultation with attorneys, Section 551.072 for real estate matters, Section 551.074 for personnel matters, and Section 551.078 for review of medical records. An expression of preference or a preliminary vote may be taken by the Committee on any briefing item or item discussed in executive session.

At the discretion of the Committee, items on this agenda may be considered at times other than those indicated above.

Dallas Police and Fire Pension System
Thursday, July 12, 2007
8:30 a.m.
First Floor Conference Room
2301 North Akard Street
Dallas, Texas

Actuarial Funding Committee meeting, Steve Shaw, Chairman, presiding:

ROLL CALL

Board Members

Present: Gerald Brown, Gary W. Edge, John M. Mays, Rector C. McCollum, Steven G. Shaw, George Tomasovic, Steven H. Umlor, and Richard H. Wachsman

Absent: None

Staff

Richard Tettamant, Brian Blake, Don Rohan, Everard Davenport, Mike Taylor, Pat McGennis, John Holt, Jerry Chandler, Matt Siekielski, Talal Ellass, and Linda Rickley

Others

Gary Lawson, Rich Mackesey, and Ryan Falls

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

The meeting was reconvened at 11:34 a.m.

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B. DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR INDIVIDUAL CONSIDERATION

1. Review and consideration of proposed goals for actuarial funding

Staff presented a list of possible plan amendments suggested by members or staff to be considered by the Committee for possible further consideration by the Board for a future plan amendment election. Items #1 and 2 on the Committee agenda were presented to assist the Committee in forming a foundation from which to review the amendment proposals provided at Item #3.

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1. Review and consideration of proposed goals for actuarial funding (continued)

Mr. Tettamant stated that the General Accounting Standards Board recommends that the period over which a pension plan's unfunded liabilities are amortized should not exceed 30 years. The State Pension Review Board also recommends that for actuarial soundness a pension plan's amortization period should not exceed 30 years.

The Actuarial Valuation as of January 1, 2007, reported System funding at 87.9% with 15 years to fund. The Committee discussed with the actuary the System's strong funding position. Messrs. Mackesey and Falls, of Buck Consultants, the System's actuary, were present to advise and assist the Board in discussing goals for System funding to properly maintain and evaluate the health of System funding within reasonable parameters.

No motion was made.

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2. Review and consideration of possible change to the investment rate of return assumption

Mr. Tettamant stated that the current Board-adopted actuarial assumption for the System's investment rate of return is 8.5%. This rate reflects an underlying inflation rate of 4.00% and a real rate of return of 4.50%. Mr. Mackesey discussed recommended changes to the rate of return assumption and the actuarial impact of the changes based on current and expected economic conditions and the funding status of the System. A list of return assumptions for other Texas pension plans was provided for reference.

No motion was made.

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3. Review and consideration of possible plan amendments

The Committee discussed possible plan amendments at length.

No motion was made.

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C. BRIEFING ITEMS


Administrator's report

Administrative update

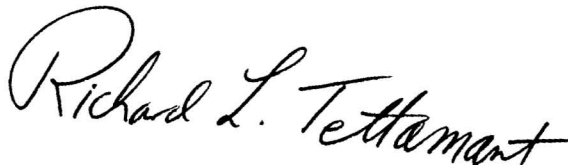
No report was given.

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The Administrator stated that there was no further business to come before the Board. On a motion by Mr. Umlor and a second by Mr. Edge, the meeting was adjourned at 1:00 p.m.


Steve G. Shaw
Chairman

ATTEST:



Richard L. Tettamant
Secretary