

AGENDA



Date: October 9, 2007

A meeting of the Dallas Police and Fire Pension System Actuarial Funding Committee will be held at **8:30 a.m. on Thursday, October 18, 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 actuarial status and assumptions

- a. Actuarial assumptions
- b. Projection of year-end funding
- c. Possible assumption changes
- d. Actuarial funding goals

2. Possible plan amendments

3. Administrator's report

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, October 18, 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, 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, Matt Siekielski, Talal Ellass, and Linda Rickley

Others

Gary Lawson, Steve Prullage, 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 actuarial status and assumptions

- a.** Actuarial assumptions
- b.** Projection of year-end funding
- c.** Possible assumption changes
- d.** Actuarial funding goals

Mr. Tettamant stated that at the October 8 – 11, 2007 Board and staff workshop, Rich Mackesey, the System’s actuarial consultant, presented an analysis of the System’s actuarial assumptions as previously approved by the Board and reviewed recommendations for possible changes to the assumptions for the

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2. Review actuarial status and assumptions (Continued)

Board to consider. Mr. Mackesey had also discussed actuarial funding targets for years to fund and funding percentage. Messrs. Steve Prullage and Ryan Falls of Buck Consultants were present today to further discuss these issues and assist the Committee in determining recommendations to the Board.

After discussion, Mr. Edge made a motion to receive and file the report on actuarial assumptions presented by Buck Consultants. Mr. Umlor seconded the motion, which was unanimously approved by the Committee.

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2. Possible plan amendments

Mr. Tettamant explained that the Committee reviewed proposed amendments to Plan B at its July 12, 2007 meeting. Other proposed amendments have been added to the list over the last three months. The Board had authorized staff to forward all proposed amendments to the System's actuarial consultant for review and comment. Messrs. Steve Prullage and Ryan Falls of Buck Consultants presented an analysis of the impact, if any, of each proposed plan amendment on the Plan's actuarial funding.

The Committee, actuary, and staff discussed the possible plan amendments at length.

After discussion, Mr. Wachsman made a motion to reinstate the four percent (4%) annual adjustment for System members hired January 1, 2007 or later. Mr. Umlor seconded the motion, which failed by the following vote:

For: Wachsman

Against: Brown, Edge, McCollum, Tomasovic, Umlor, and Shaw

After discussion, Mr. Edge made a motion to remove from further consideration the proposed plan amendment that would permit a mentor to take distributions from DROP while on active service. Mr. Tomasovic seconded the motion, which was unanimously approved by the Committee.

After discussion, Mr. Edge made a motion to remove from further consideration the proposed plan amendment that would allow voluntary Member contributions to DROP on an after-tax basis. The motion failed for lack of a second.

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2. Possible plan amendments (continued)

After discussion, Mr. Umlor made a motion to receive and file the reports and discussion on possible plan amendments and postpone further consideration until receipt of the 2007 actuarial valuation in May 2008. Mr. Edge seconded the motion, which was unanimously approved by the Committee.

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3. Administrator's report

No report was given.

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The Administrator stated that there was no further business to come before the Committee. On a motion by Mr. Tomasovic and a second by Mr. Brown, the meeting was adjourned at 10:12 a.m.

Steven G. Shaw
Chairman

ATTEST:

Richard L. Tettamant
Secretary