

"Provide retirement and superior service to advance
the financial security of our members"

July 20, 2017

VIA E-MAIL PRB@PRB.STATE.TX.US

Texas Pension Review Board
P. O. Box 13498
Austin, Texas 78711-3498

TO WHOM IT MAY CONCERN:

The Employees' Retirement Fund of the City of Dallas (ERF) revised its plan document, Dallas City Code Chapter 40A Retirement, in November of 2016 (attached). The change became effective January 1, 2017.

The ERF has attached the following documents (as of December 31, 2016):

1. PRB-100
2. PRB-200
3. PRB-300
4. PRB-400
5. PRB-1000
6. 2016 Annual Financial Report
7. 2016 Actuarial Valuation Report
8. Chapter 40A Retirement (effective January 1, 2017)

Best regards,

Cheryl D. Alston
Executive Director

Attachments

Submit by Email

Print Form

Pension Review Board

P.O. Box 13498, Austin, TX 78711 • FAX: (512)463-1882 • (800)213-9425 or (512)463-1736

Please fill in only portions of form that pertain to your pension plan

prb@prb.state.tx.us

PENSION SYSTEM REGISTRATION

PRB-100

RETIREMENT SYSTEM PROFILE

System Name and Mailing Address

Employees' Retirement Fund of the City of Dallas
600 N. Pearl Street, Suite 2450, Dallas, TX 75201

John D. Jenkins

CEO, Chairperson or other key contact

214-580-7700

214-580-3515

Phone Number

Fax Number

calston@dallaserf.org

E-mail Address

http://www.dallaserf.org

Web Address

ADMINISTRATOR PROFILE

Company Name and Mailing Address

Employees' Retirement Fund of the City of Dallas
600 N. Pearl Street, Suite 2450, Dallas, TX 75201

Cheryl D. Alston

Contact Person

214-580-7700

214-580-3515

Phone Number

Fax Number

calston@dallaserf.org

E-mail Address

http://www.dallaserf.org

Web Address

SYSTEM BACKGROUND INFORMATION

Dallas City Code Chapter 40A

1944

12/31/2016

Specify plan statute, ordinance, or charter governing the system

Year Plan Created

Plan's Fiscal Year End

Benefit Type:

Defined Benefit

Defined Contribution

Other: _____

Participant Desc:
(check all that apply)

General Employees

Police

Fire

Volunteer Fire

Other: _____

Are employees covered by Social Security?

Yes

No

If yes, are pension benefits offset by Social Security payments?

Yes

No

RETIREMENT SYSTEM GOVERNING BODY

Need to report more than 6 members? Please attach a separate sheet.

Name	Position	Occupation	Mailing Address	Phone Number
John D. Jenkins	Board Chair	Deputy Director	600 N. Pearl Street, Suite 2450 Dallas, TX 75201	214-580-7700
Carla D. Brewer	Board Vice Chair	Manager	600 N. Pearl Street, Suite 2450 Dallas, TX 75201	214-580-7700
Randy Bowman	Board Trustee	Self-Employed	600 N. Pearl Street, Suite 2450 Dallas, TX 75201	214-580-7700
Craig Kinton	Board Trustee	City Auditor	600 N. Pearl Street, Suite 2450 Dallas, TX 75201	214-580-7700
Lee Kleinman	Board Trustee	City Councilmember	600 N. Pearl Street, Suite 2450 Dallas, TX 75201	214-580-7700
Dr. John W. Peavy III	Board Trustee	President / Chief	600 N. Pearl Street, Suite 2450 Dallas, TX 75201	214-580-7700

CERTIFICATION

I hereby certify that the information provided above is complete and accurate and that I am duly authorized by the pension system to complete this form.

Authorizing Signature

Printed Name

Date

Name(s) of other form contributors

RETIREMENT SYSTEM GOVERNING BODY				continued
Name	Position	Occupation	Mailing Address	Phone Number
Tina B. Richardson	Board Trustee	Interim Asst Director Street Services	600 N. Pearl Street, Suite 2450 Dallas, TX 75201	214- 580-7700

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BENEFITS AND MEMBERSHIP REPORT

PRB-200

RETIREMENT SYSTEM PROFILE

Employees' Retirement Fund of the City of Dallas	214-580-7700
System Name	Phone Number
Cheryl D. Alston	calston@dallaserf.org
Report Contact Name (Please Print)	E-mail Address

BACKGROUND INFORMATION

November 2016 - Effective January 1, 2017	
Last Plan Amendment Date	
5 years	
Vesting Period	
60 or 55 if credited svc began < 5/9/1972 or 30 years credited service	
Normal Eligibility Requirements (Age + Service)	
Rule of 78 if 50 or more years of age	
Early Retirement Eligibility Requirements (Age + Service)	
N/A	
DROP Eligibility Requirements (Age + Service)	
None	100% final average earnings
Minimum Benefit	Maximum Benefit

MEMBERSHIP REPORT

Active Members	7,619
Retirees and Beneficiaries	6,903
Terminated Vested	1,215
Total Members	15,737

FORMULAS AND BENEFITS

Normal Retirement Benefit Formula

$2.75\% \times \text{FAE} \times \text{credited service (max 36.3636 yrs)} + \125
health supplement prorated for < 5 yrs credited service

Service-Related Disability Benefit Formula

Same as normal but calculated based on minimum 10 years credited service (minimum \$500 monthly pension)

Service-Related Survivor Benefit Formula

Same as above but actuarially reduced for joint & 100% survivor option

Nonservice-Related Disability Benefit Formula

Same as normal w/minimum 5 years credited service for active; minimum 10 years credited service for vested members +


Nonservice-Related Survivor Benefit Formula

Same as above but actuarially reduced for joint & 100% survivor option

CERTIFICATION

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Note: For e-mail submissions, by typing your name on the signature line below you are signing this document.


 Authorizing Signature
 Date 7/20/17

Cheryl D Alston
 Printed Name

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FINANCIAL STATEMENT REPORT

PRB-300

RETIREMENT SYSTEM PROFILE

Employees' Retirement Fund of the City of Dallas	214-580-7700
System Name	Phone Number
Cheryl D. Alston	calston@dallaserf.org
Report Contact Name (Please Print)	E-mail Address

ANNUAL FINANCIAL REPORT

Cash and Cash Equivalents	\$ 426,680,000
Receivables	\$ 402,265,000
Investments Valued at: <u>fair, estimated fair</u> (i.e. fair, book, market, etc.)	
Fixed Income	\$ 873,730,000
Equities	\$ 1,950,856,000
Real Estate	\$ 214,895,000
Other Assets	\$ 184,812,000
Total Assets	\$ 4,053,238,000
Total Liabilities	\$ 701,195,000
Net Assets	\$ 3,352,043,000

FINANCIAL BACKGROUND DATA

12/31/2016
Financial Statement Date (mm/dd/yyyy)
12/31/2016
Fiscal Year End (mm/dd/yyyy)
9.17 %
1 Year Rate of Return (% Net of Fees)
Grant Thornton LLP
Auditing Firm Name
The Northern Trust Company
Custodian Firm Name
Wilshire Associates (Investment Consultant)
Investment Management Firm
Gabriel Roeder Smith & Company
Actuarial Firm

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Authorizing Signature

Cheryl D. Alston

Printed Name

Date

7/20/17

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ACTUARIAL REPORT

PRB-400

RETIREMENT SYSTEM PROFILE

Employees' Retirement Fund of the City of Dallas

System Name

Cheryl D. Alston

Report Contact Name (Please Print)

214-580-7700

Phone Number

calston@dallaserf.org

E-mail Address

ACTUARIAL VALUATIONS Date of Actuarial Valuation: 12/31/2016

Actuarial Value of Assets (AVA)..... \$ 3,451,463,000

Actuarial Accrued Liability (AAL)..... \$ 4,291,802,000

Unfunded Actuarial Accrued Liability (AAL-AVA)..... \$ 840,339,000

Funded Ratio (AVA/AAL)..... 80.4 %

Covered Payroll..... \$ 409,433,000

UAAL as % of Covered Payroll ((AAL-AVA)/Covered Payroll) 205.24 %

Present Value of Future Benefits..... \$ 4,847,607,000

ACTUARIAL BACKGROUND

Gabriel Roeder Smith & Company

Actuarial Firm

36 %

Recommended Contribution Rate

36 %

Actual Contribution Rate

UAL Payment Rate

20.75 %

Normal Cost Rate

30 (years)

Amortization Period

13.32 %

Employee Contribution Rate

22.68 %

Employer Contribution Rate

36 %

Total Contribution Rate (Employee CR + Employer CR)

ACTUARIAL ASSUMPTIONS

Entry Age Normal

Actuarial Cost Method (Entry Age Normal, Standard Unit Credit, etc.)

Market

Asset Valuation Method (i.e. Book, Market, etc.)

3.25 % 2.75 % 7.75 %

Proj. Salary Increase Proj. Payroll Growth Investment Return

2.75 % RP-2000 using improvement scale BB for healthy retirees +

Inflation Component Mortality Table

N/A

Detail of Assumption Changes

Amortization Method: Level Dollar Level % Other: _____ Market Smoothing? ⁵ _____ yearsCOLA Adjustment Method: Adhoc AutomaticCOLA Adjustment Calculation: Simple Compound

1.45 %

COLA Adjustment Rate

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 Authorizing Signature
Cheryl D Alston
Printed NameDate
7/20/17

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INVESTMENT RETURNS AND ASSUMPTIONS REPORT

PRB-1000

Retirement System Profile

Employees' Retirement Fund of the City of Dallas:	(214)580-7700
System Name	Phone Number: (xxx) xxx-xxxx
Cheryl D. Alston	calston@dallaserf.org
Report Contact Name (Please Print)	E-mail Address

Actual Rate of Return

(Most Recent 10 Fiscal Years)

Fiscal Year End (MM/DD/YYYY)	Net Return (Percent)	Gross Return (Percent)	Gross Return Methodology	
			Not Net of Admin Expenses	Net of Admin Expenses
12/31/2007	3.56%		<input checked="" type="radio"/>	<input type="radio"/>
12/31/2008	-31.31%		<input checked="" type="radio"/>	<input type="radio"/>
12/31/2009	30.35%		<input checked="" type="radio"/>	<input type="radio"/>
12/31/2010	15.77%		<input checked="" type="radio"/>	<input type="radio"/>
12/31/2011	.86%		<input checked="" type="radio"/>	<input type="radio"/>
12/31/2012	14.29%		<input checked="" type="radio"/>	<input type="radio"/>
12/31/2013	16.75%		<input checked="" type="radio"/>	<input type="radio"/>
12/31/2014	6.50%		<input checked="" type="radio"/>	<input type="radio"/>
12/31/2015	-1.77%		<input checked="" type="radio"/>	<input type="radio"/>
12/31/2016	9.17%		<input checked="" type="radio"/>	<input type="radio"/>

Gross Return Methodology - In the last column, please indicate the methodology used to calculate each gross return presented as either: The Gross Return is not net of administrative expenses or the Gross Return is net of administrative expenses.

Actuarial Assumed Rate of Return

(Most Recent 10 Actuarial Valuations)

Valuation Date (MM/DD/YYYY)	Assumed Return (Percent)	Assumed Return Methodology		
		Net All Expenses	Net Investment Fees Only	Other
12/31/2007	8.25%	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
12/31/2008	8.25%	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
12/31/2009	8.25%	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
12/31/2010	8.25%	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
12/31/2011	8.25%	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
12/31/2012	8.25%	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
12/31/2013	8.25%	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
12/31/2014	8.0%	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
12/31/2015	8.0%	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
12/31/2016	7.75%	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

Assumed Return Methodology - In the last column, please indicate the methodology underlying each assumed rate of return as either: The return is net of all expenses; the return is net of investment fees; or, "Other". If "Other", please describe methodology used in **Additional Comments** section.

Information provided in this document may be based on methodologies assumed to be reasonable by the reporting entity. The information provided herein may be unaudited and is considered the best approximation of the plan at the time of submission. Additionally, the information provided in this document must be based on the fiscal year of the public retirement system submitting the report.

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LONG-TERM RATES OF RETURN PRB-1000

Annualized Rolling Rate of Return Information

Please check the appropriate box for the methodology used to calculate the rates of return requested in the following section:

Arithmetic Mean Geometric Mean (Time-Weighted Return) Internal Rate of Return

Most Recent	1-Year Period	3-Year Period	10-Year Period	30-Year or Since Inception Period
Rolling Gross				
Rolling Net	9.17%	4.55%	8.84%	9.22%

*If the system's inception date is less than 30 years from the report date, please enter the inception date:

Date of Inception (MM/DD/YYYY)	
--------------------------------	--

RETURNS AND ASSUMPTIONS – ADDITIONAL COMMENTS

Please use this text box to provide any additional information or commentary that may help clarify information provided in the previous form.

<p>Actual Rate of Return - net of investment fees only</p> <p>Annualized Rolling Rate of Return - net of investment fees only</p>

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RETURNS AND ASSUMPTIONS – UNAVAILABLE INFORMATION

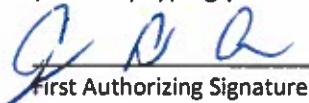
PRB-1000

Please list any unavailable information requested in this form in the text box below, including an explanation of why the information is unavailable. Completion of this form fulfills the requirements stated in Section 802.108 (c) of Texas Government Code.

By marking this box, I certify that the information provided is accurate based on the methodology used; and that the retirement system for which this form is being provided agrees to a timely submission of the unavailable information if it becomes available.

CERTIFICATION

I certify that, as an official representative of the retirement system for which this report is being presented, I have the authority to provide the requested information, and that I have verified, to the best of my knowledge, that the information presented is complete, as far as indicated, and accurate. (Note: By typing your name below, you are signing this document.)


First Authorizing Signature

7/20/17
Date

Executive Director and Chief Investment Officer
Title of First Authorizer

(214)580-7700
First Authorizer Phone Number

calston@dallaserf.org
First Authorizer Email


Second Authorizing Signature

7/20/2017
Date

Deputy Director
Title of Second Authorizer

(214)580-7700
Second Authorizer Phone Number

detheridge@dallaserf.org
Second Authorizer Email

Information provided in this document may be based on methodologies assumed to be reasonable by the reporting entity. The information provided herein may be unaudited and is considered the best approximation of the plan at the time of submission. Additionally, the information provided in this document must be based on the fiscal year of the public retirement system submitting the report.

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