



STATE PENSION REVIEW BOARD OF TEXAS

ACTUARIAL COMMITTEE MEETING

AGENDA

Tuesday, April 22, 2014 – 10:00 AM

**Location: Employees Retirement System of Texas
Board Room
200 East 18th Street, Austin, Texas 78701**

1. Meeting called to order
2. Roll call of Committee members
3. Approval of the January 29, 2014 Committee meeting minutes
4. Introduction of new Committee member
5. Discuss and consider the study of the financial health of public retirement systems in the state as required by Section 7 of House Bill 13 (83rd Texas Legislature)
6. Invitation for audience participation
7. Next steps / Future meeting schedule
8. Adjournment

NOTE: Persons with disabilities who plan to attend this meeting and who may need special assistance are requested to contact Anne Benites at (512) 463-1736 three to five (3-5) working days prior to the meeting so that appropriate arrangements can be made.

**State Pension Review Board
Actuarial Committee Meeting
Minutes
January 29, 2014**

1. Meeting called to order (00:00)

The first meeting of 2014 of the State Pension Review Board (PRB) Actuarial Committee was called to order by Chair Bob May on Wednesday, January 29, 2014, at 1:15 p.m. in the William P. Clements Building, Room 103, in Austin, Texas.

2. Roll call of Committee members (00:40)

Board Members Present:

Robert M. May
Andrew W. Cable
J. Robert Massengale

3. Approval of the November 12, 2013 Committee meeting minutes (01:00)

Chair May entertained a motion to suspend the reading of the Minutes of the PRB Actuarial Committee meeting held November 12, 2013.

Motion made by Mr. Andrew Cable, seconded by Mr. Robert Massengale that the PRB Actuarial Committee suspend the reading of the Minutes of its meeting held November 12, 2013.

MOTION CARRIED UNANIMOUSLY

4. Discuss and consider the study of the financial health of public retirement systems in the state as required by Section 7 of House Bill 13 (83rd Texas Legislature) (01:25)

Mr. Hanson stated that Section 7 of House Bill 13, as passed by the 83rd Texas Legislature, directs the PRB to conduct a study of the financial health of public retirement systems in the state of Texas, including each system's ability to meet its long-term obligations. The Bill requests the PRB to prepare a draft of the study by September 1, 2014. Any system covered in the report will be provided with an opportunity to review the recommendations, and submit their comments to the PRB. The final report is due to the Legislature on December 31, 2014. Staff prepared a summary indicating where public retirement systems' actuarial soundness, financial health, and amortization period currently stands based on the PRB *Guidelines for Actuarial Soundness*. Mr. Hanson reviewed the summary, and stated that there are currently 25 systems with an amortization period of greater than 40 years, with 40 years being the minimum standard established by the Guidelines. There are 39 systems whose amortization period is between 25 and 40 years which is above the recommended range and 29 systems that are within or better than the recommended range. Mr. Hanson stated that staff would like to examine what some of the underlying factors were that impacted retirement systems to where they are no longer meeting the guidelines. Additionally, staff would like to examine what steps have been taken that have allowed the systems that were meeting the guidelines in the late 1990's – 2000 to continue meeting them; what are best practices, and what are things the PRB could make recommendations on that would help a system maintain sound funding.

Mr. Hanson reviewed an outline of the Study of the Financial Health of Public Retirement Systems. Section one would include the executive summary, followed by section two which would include the introduction. Section three would include the financial health or current actuarial soundness of retirement systems, and in this section a determination would be made of whether systems are in a position to meet their long-term obligations. Section four would include items that factor into this determination, with the first item being investment experience. This section would discuss what the PRB has examined over the last 15 years, and determine whether a system's investment experience is a primary reason why systems are not meeting the guidelines. For systems that are meeting the guidelines, staff would examine what their investment performance was versus the systems that are not meeting the guidelines. Section five would include additional factors that may or may not have contributed to a system's financial health. These factors include policy decisions including plan design changes, and benefit decisions that might have impacted plans.

**State Pension Review Board
Actuarial Committee Meeting
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January 29, 2014**

Another item under policy would pertain to contribution rates, including whether ARC payments were made, whether the payments were sufficient, whether the full ARCs were funded, and the levels of contributions that were received. Additionally, the policy section would include actuarial methods and assumptions and examine any issues of not having the appropriate retirement rate, or issues where possibly an actuary made a poor recommendation. Lastly, the policy side would include material regulatory and policy changes such as the closing of the social security loophole for teachers, as well as changes that the Legislature may impose on the Employees Retirement System of Texas (ERS) or the Teachers Retirement System of Texas (TRS). Mr. Hanson further discussed that another area to identify is the factors that may indicate issues for public retirement systems, including cash flow, solvency, actuarial points, payroll growth, and plan demographics—active to retired populations and retirement rates. Section six, the last item in the outline, would cover best practices; including plans reserve funds, surplus management, and their approach to managing their actuarial assumptions and policy decisions.

Mr. May stated that in addition to examining the financial condition of the systems, the Legislature is asking the PRB to discuss things that can be done to improve the overall condition of the plan. Mr. May mentioned that a very important point is to determine whether the systems are regularly contributing the ARC, and what kind of gap there is between what the ARC was and what systems contributed. Mr. May stated that another important item to note is the demographic experience.

Mr. Massengale mentioned that he did not see the term smoothing noted in the summary.

Mr. May noted that the smoothing he hears about most often is the smoothing of assets. He stated that he was aware of a plan that did not smooth in the late 1990's and gave a large increase in benefits, and they have been on the infinite amortization period for several years as a result. He commented that there are many potentially discussable issues and stated that the defined benefit world is complex. He noted that as the Legislature knows the most about ERS and TRS, it would be a good idea to study them both carefully. He stated that currently there is a difference in the way they have been funded through the Legislature through recent change.

Mr. Hanson stated that in terms of the ARC examination, one of the reasons for not typically smoothing is so the required contribution does not fluctuate so much from year to year, making it easier for budgeting purposes. He stated that one of the areas staff would examine include things leading to funding issues.

Mr. Cable stated that the creation of this document could create legislation.

Mr. Hanson stated that staff would like to research things that might be problematic to contribution rates as well as things that are favorable.

Mr. Hanson further noted that at the last board meeting of ERS, there was a presentation that covered significant changes that TRS made to their benefit design in 2005 whereas ERS did not, and as a result, TRS started to improve. When ERS made changes this last session, it was to new hires as opposed to existing members so both are examples of what can happen if you take one route versus another.

5. Invitation for audience participation (42:40)

Erin Perales, General Council, Houston Municipal Employees Pension System noted that the term "Soundness" in the PRB *Guidelines for Actuarial Soundness* may have a negative connotation, and that the term "Financial Health" may be preferable.

Mark Fenlaw, Actuary, Rudd and Wisdom noted that the amortization period should be analyzed when reviewing the financial health of public retirement systems. He stated that PRB could ask the system's to provide what sort of increase in employer contribution rate would be necessary to have a 25 year amortization period. This would provide the PRB with a quantitative number of how far short they are of having a 25 year amortization period. He also mentioned that he likes the idea of changing the name of PRB *Guidelines for Actuarial Soundness*, noting that there are some downsides to the term.

**State Pension Review Board
Actuarial Committee Meeting
Minutes
January 29, 2014**

6. Next steps / Future meeting schedule

No discussion

7. Adjournment (01:01:00)

Chair May thanked the Committee and the audience for their participation at the meeting. With the business of the Committee completed, Chair May adjourned the meeting at 2:15 pm.

In Attendance:

Staff:

Chris Hanson
Nick Ballard
Daniel Moore
Bryan Burnham
Reece Freeman
Anne Benites

Guests:

Mike Ewins, Employees Retirement System of Texas
Leslee Hardy, Texas Municipal Retirement System
Eddie Solis, Texas Association of Public Employee Retirement Systems
Max Patterson, Texas Association of Public Employee Retirement Systems
Paul Brown, Texas Association of Public Employee Retirement Systems
Eloise Raphael, Houston Firefighters' Relief and Retirement Fund
Yuniedth Steen, Locke Lord LLP
Meredyth Fowler, Texas House of Representatives – Speaker Joe Straus
Erin Perales, Houston Municipal Employees Pension System
Kyle Mauro, HillCo

Chair Bob May

Study of the Financial Health of Public Retirement Systems

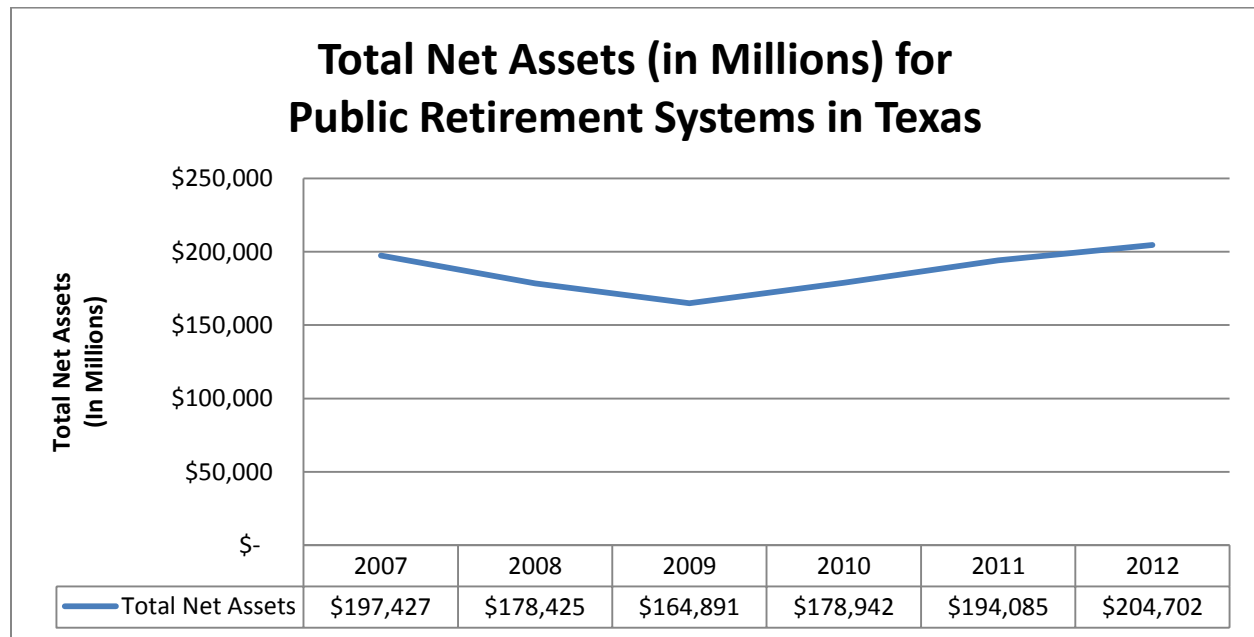
Section 7 of HB 13, as passed by the 83rd Texas Legislature, directs the Pension Review Board (PRB) to conduct a study of the financial health of public retirement systems in Texas, including each system’s ability to meet its long-term obligations. The PRB will prepare a written report containing the findings of the study, including recommendations regarding how a system may mitigate its risk of not meeting its long-term obligations, not later than September 1, 2014. Any system covered in the report shall be provided a reasonable opportunity to review those recommendations and submit a response to the PRB. A final report is due to the Legislature not later than December 31, 2014. The final report shall include a copy of any plan responses.

Public Retirement System Amortization Periods

Amortization Period	Number of Systems	Percent of Total
Greater than 40	28	30%
Between 25 and 40	36	39%
Less than or equal to 25	29	31%

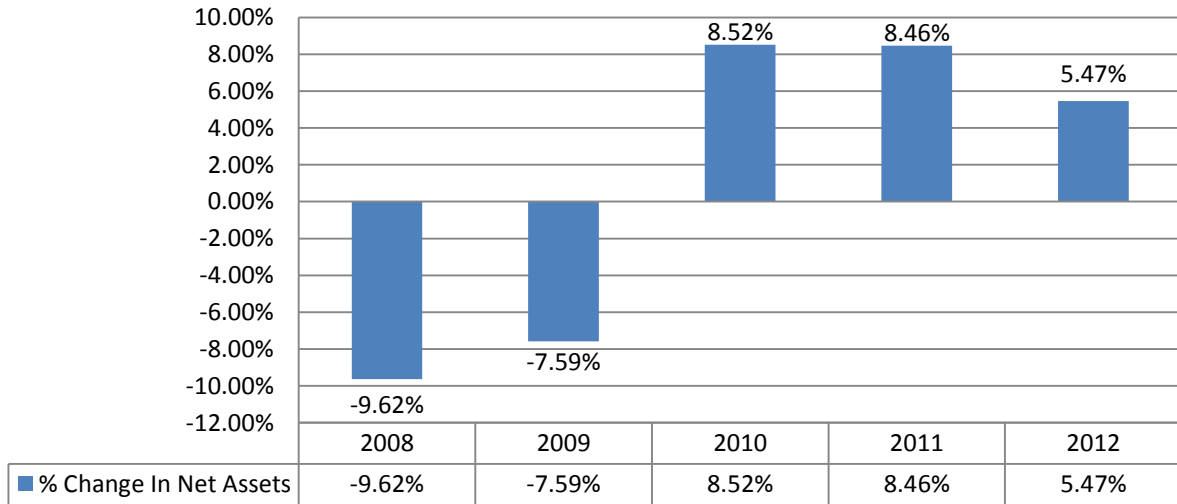
Financial Health

Public retirement systems have seen the value of their assets increase significantly since the market downturn of 2008-2009. The following chart shows the total net assets of Texas public retirement systems between 2007 and 2012.

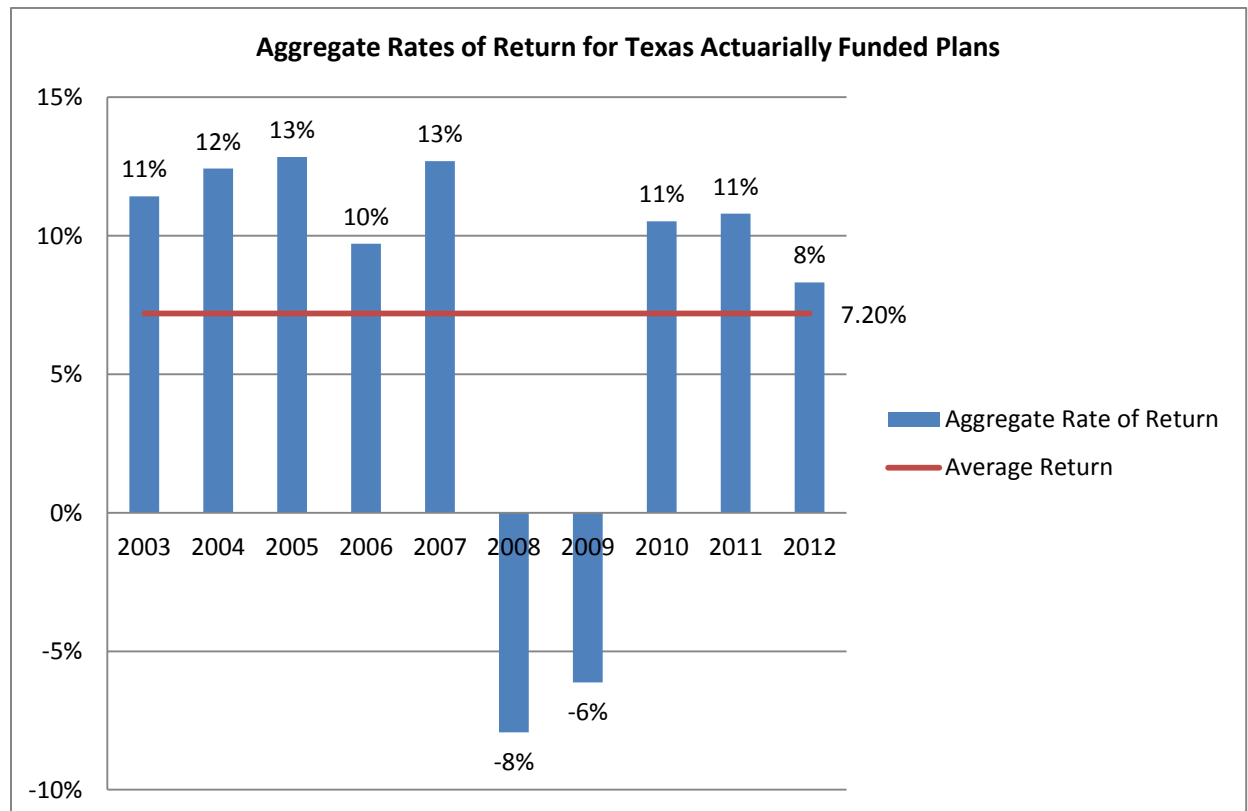


The annual percent change in total net assets for 2008 through 2012 of Texas public retirement systems is shown in the following chart.

Annual Percent Change in Total Net Assets For Public Retirement Systems in Texas



The aggregate annual rate of return for Texas public retirement systems for 2003 through 2012 is shown in the chart below.



Preliminary Trends Identified in Systems with Inadequate Contribution Rates¹

1. Contribution History Review

- The average percent of the ARC (40 year) paid between 2000 and 2006 is 86.98%.
- The average percent of the ARC (30 year) paid between 2007 and 2013 is 86.30%.
- The current average shortfall as a percent of pay for the 30 year total contribution rate is 5.41%.

2. Financial History Review

- The average 10 year rate of return is 7.07%.
- The average annual cash flow is -2.17%.
- The average ratio of asset to liability growth since 2000 is .50, or that for every \$1.00 of liability added since 2000, only \$.50 of assets was added.

3. Benefit Plan Provision Review

- 87% of systems reviewed increased benefit multipliers after 1995;
- 65% of systems reviewed added or enhanced COLAs;
- 24% provide automatic compound COLAs;
- 90% of systems reviewed added or enhance DROP provisions;
- 50% of systems reviewed allow for early retirement with a actuarially reduced annuity;

4. Demographic Information

- The average active/retired is 1.39.

¹ PRB staff review of systems with amortization periods greater than 40 years.

Draft Outline of the Study of the Financial Health of Public Retirement Systems

- I. Executive Summary**
- II. Introduction**
- III. Defined Benefit Pension Financing: $C + I = B + E$**
- IV. Summary of Retirement Systems' Financial Health**
- V. Investment Experience**
- VI. Examination of Other Factors Contributing to System Financial Health**
 - A. Policy**
 - 1. Plan Design/Benefits
 - 2. Contribution rates and Percent of ARC Paid
 - 3. Actuarial Methods and Assumptions
 - 4. Material Regulatory and Policy Changes
 - B. Key Indicators of Financial Health**
 - 1. Financial
 - 2. Actuarial
 - 3. Demographics
 - 4. Financial Health and Stability of Plan Sponsor
- VII. Best Practices**
 - 1. Strong Funding Governance
 - 2. Reserve Funds and Surplus Management
 - 3. Experience Studies/Actuarial Audits
 - 4. Policy Decisions (ARC and Benefits)
 - 5. Investment Management and Due Diligence
 - 6. Retirement Age Indexing/Replacement Ratio

Actuarial Valuations Report
April 2014

Plan Name	Active members	Unfunded Actuarial Accrued Liability (UAAL)	UAAL Per Active Member	Old Amort period	as of	New Amort period	as of	Actuarial Value of Assets	Funded Ratio
Employees Retirement System of Texas	133,669	\$ 7,218,387,271	\$ 54,001.95	Infinite	8/31/2012	Infinite	8/31/2013	\$ 24,667,639,104.00	77.36%
Houston Police Officers Pension System (1)	5,364	\$ 939,010,000	\$ 175,057.79	Infinite	7/1/2012	Infinite	7/1/2013	\$ 4,070,951,000.00	81.26%
Dallas Employees' Retirement Fund (2)	6,864	\$ 672,232,000	\$ 97,935.90	Infinite	12/31/2011	Infinite	12/31/2012	\$ 2,846,124,000.00	80.89%
Law Enforcement and Custodial Officer Sup. Ret. Fund	37,415	\$ 354,147,039	\$ 9,465.38	Infinite	8/31/2012	Infinite	8/31/2013	\$ 843,016,798.00	70.42%
El Paso Police Pension Fund	1,044	\$ 174,514,074	\$ 167,159.07	71	1/1/2010	Infinite	1/1/2012	\$ 626,346,104.00	78.21%
Judicial Retirement System of Texas Plan Two	545	\$ 41,032,977	\$ 75,289.87	Infinite	8/31/2012	Infinite	8/31/2013	\$ 318,025,658.00	88.57%
Irving Firemen's Relief and Retirement Fund	311	\$ 65,253,147	\$ 209,817.19	65.9	12/31/2009	Infinite	1/1/2012	\$ 134,886,668	67.40%
Texas Emergency Services Retirement System	4,446	\$ 33,868,555	\$ 7,617.76	Infinite	8/31/2010	Infinite	8/31/2012	\$ 67,987,487	66.75%
Galveston Employees' Retirement Fund	430	\$ 11,702,736	\$ 27,215.67	Infinite	1/1/2012	Infinite	1/1/2013	\$ 40,313,875	77.50%
Longview Firemen's Relief and Retirement Fund	164	\$ 36,507,494	\$ 222,606.67	88.6	12/31/2009	Infinite	12/31/2011	\$ 39,578,091	52.02%
Harlingen Firemen's Relief and Retirement Fund	106	\$ 11,953,301	\$ 112,766.99	Infinite	12/31/2009	Infinite	12/31/2011	\$ 22,270,694	65.07%
Greenville Firemen's Relief and Retirement Fund	57	\$ 13,516,305	\$ 237,128.16	45.7	12/31/2010	Infinite	12/31/2012	\$ 12,201,104	47.44%
Sweetwater Firemen's Relief and Retirement Fund	24	\$ 3,163,694	\$ 131,820.58	39.4	12/31/2010	Infinite	12/31/2012	\$ 7,217,289	69.52%
Atlanta Firemen's Relief and Retirement Fund	32	\$ 1,104,539	\$ 34,516.84	30	12/31/2009	Infinite	12/31/2012	\$ 2,988,348	73.01%
Amarillo Firemen's Relief and Retirement Fund	243	\$ 33,581,721	\$ 138,196.38	35.9	1/1/2010	102.1	1/1/2012	\$ 120,396,531	78.19%
Lufkin Firemen's Relief and Retirement Fund	75	\$ 17,762,521	\$ 236,833.61	53.7	12/31/2010	89.6	12/31/2012	\$ 11,265,138	38.81%
Midland Firemen's Relief and Retirement Fund	190	\$ 28,091,967	\$ 147,852.46	41.2	1/1/2010	86.3	1/1/2012	\$ 73,066,776	72.23%
Orange Firemen's Relief and Retirement Fund	37	\$ 6,544,945	\$ 176,890.41	34.3	12/31/2010	82.3	12/31/2012	\$ 8,766,374	57.25%
University Park Firemen's Relief and Retirement Fund	34	\$ 10,776,761	\$ 316,963.56	40.6	12/31/2010	81.3	12/31/2012	\$ 8,556,364	44.26%
El Paso Firemen's Pension Fund	794	\$ 108,582,531	\$ 136,753.82	49	1/1/2010	76	1/1/2012	\$ 431,209,946	79.88%
Odessa Firemen's Relief & Retirement Fund	166	\$ 28,188,865	\$ 169,812.44	Infinite	1/1/2009	71	1/1/2011	\$ 46,170,391	62.09%
Houston Municipal Employees Pension System (3)	11,781	\$ 1,746,998,000	\$ 148,289.45	Infinite	7/1/2012	67.1	7/1/2013	\$ 2,382,585,000	57.70%
Galveston Firefighter's Relief & Retirement Fund	113	\$ 16,858,357	\$ 149,189.00	26.8	1/1/2010	64.6	1/1/2012	\$ 37,288,602	68.87%
Wichita Falls Firemen's Relief and Retirement Fund	148	\$ 24,641,489	\$ 166,496.55	38.9	12/31/2010	63.2	12/31/2012	\$ 41,964,674	63.00%
Beaumont Firemen's Relief and Retirement Fund	231	\$ 36,926,504	\$ 159,855.00	34.9	12/31/2008	53.6	12/31/2010	\$ 91,469,680	71.24%
Galveston Employees Pension Plan for Police	127	\$ 25,694,496	\$ 202,318.87	30.4	1/1/2010	53.5	1/1/2012	\$ 22,695,097	46.90%
San Angelo Firemen's Relief and Retirement Fund	175	\$ 26,994,448	\$ 154,253.99	32.4	12/31/2009	49	12/31/2011	\$ 49,895,449	64.89%
McAllen Firemen's Relief and Retirement Fund	162	\$ 19,360,417	\$ 119,508.75	39.6	9/30/2010	43.9	9/30/2012	\$ 37,841,858	66.15%
Marshall Firemen's Relief and Retirement Fund	46	\$ 8,832,086	\$ 192,001.87	23.5	12/31/2010	38.6	12/31/2012	\$ 6,990,904	44.18%
Conroe Fire Fighters' Retirement Fund	78	\$ 10,016,819	\$ 128,420.76	33.5	12/31/2009	38.2	12/31/2011	\$ 15,392,762	60.58%
Killeen Firemen's Relief and Retirement Fund	204	\$ 13,613,668	\$ 66,733.67	27	9/30/2010	36.1	9/30/2012	\$ 27,528,834	66.91%
Plainview Firemen's Relief and Retirement Fund	36	\$ 7,729,513	\$ 214,708.69	123.2	12/31/2009	35.2	12/31/2011	\$ 4,969,795	39.13%
Cleburne Firemen's Relief and Retirement Fund	53	\$ 12,110,818	\$ 228,506.00	25	12/31/2010	34.1	12/31/2012	\$ 16,293,411	57.36%
Tyler Firemen's Relief and Retirement Fund	154	\$ 21,250,910	\$ 137,992.92	26.4	12/31/2009	34	12/31/2011	\$ 49,221,368	69.85%
Texas City Firemen's Relief and Retirement Fund	68	\$ 13,203,613	\$ 194,170.78	29.1	12/31/2010	33.6	12/31/2012	\$ 14,859,762	52.95%
Abilene Firemen's Relief and Retirement Fund	182	\$ 38,982,852	\$ 214,191.49	29	9/30/2009	32.9	9/30/2011	\$ 49,429,210	55.91%
Brownwood Firemen's Relief and Retirement Fund	31	\$ 4,289,003	\$ 138,354.94	27.2	12/31/2009	31.8	12/31/2011	\$ 2,848,174	39.91%
Denton Firemen's Relief and Retirement Fund	161	\$ 21,059,268	\$ 130,802.91	26.5	12/31/2009	31.7	12/31/2011	\$ 54,169,459	72.01%
Weslaco Firemen's Relief and Retirement Fund	75	\$ 4,308,720	\$ 57,449.60	17	9/30/2006	31	9/30/2009	\$ 4,977,251	53.60%
Temple Firemen's Relief and Retirement Fund	114	\$ 10,747,775	\$ 94,278.73	27.4	9/30/2010	30.8	9/30/2012	\$ 34,400,736	76.19%
Big Spring Firemen's Relief and Retirement Fund	52	\$ 7,544,372	\$ 145,084.08	27	1/1/2012	30.8	1/1/2013	\$ 9,889,540	56.73%

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Plan Name	Active members	Unfunded Actuarial Accrued Liability (UAAL)	UAAL Per Active Member	Old Amort period	as of	New Amort period	as of	Actuarial Value of Assets	Funded Ratio
Texas Municipal Retirement System	101,827	\$ 2,898,918,130	\$ 28,469.05	30	12/31/2011	30	12/31/2012	\$ 19,784,156,818	87.22%
Houston Firefighter's Relief and Retirement Fund	3,745	\$ 532,645,292	\$ 142,228.38	30	7/1/2012	30	7/1/2013	\$ 3,430,436,708	86.56%
Dallas Co. Hospital Dist. Retirement Income Plan	9,029	\$ 147,818,134	\$ 16,371.48	30	1/1/2012	30	1/1/2013	\$ 590,113,209	79.97%
Houston MTA Workers Union Pension Plan	2,504	\$ 81,715,182	\$ 32,633.86	30	1/1/2010	30	1/1/2012	\$ 173,837,727	68.02%
University Health System Pension Plan	4,181	\$ 74,903,587	\$ 17,915.23	30	1/1/2011	30	1/1/2012	\$ 183,349,789	71.00%
DART Employees' Defined Benefit Retirement Plan	426	\$ 30,981,997	\$ 72,727.69	30	10/1/2009	30	10/1/2010	\$ 145,605,173	82.46%
Houston MTA Non-Union Pension Plan	902	\$ 31,775,580	\$ 35,227.92	30	1/1/2010	30	1/1/2012	\$ 110,278,187	77.63%
Galveston Wharves Pension Plan	68	\$ 3,939,421	\$ 57,932.66	30	1/1/2011	30	1/1/2013	\$ 9,807,649	71.34%
Colorado River Municipal Water Dist. Pension Trust	68	\$ 1,247,863	\$ 18,350.93	30	1/1/2011	30	1/1/2012	\$ 8,273,581	86.89%
Cypress-Fairbanks ISD Pension Plan	1,672	\$ 2,108,152	\$ 1,260.86	30	1/1/2008	30	1/1/2010	\$ 5,109,884	70.79%
Judicial Retirement System of Texas Plan One (4)	13	\$ 252,943,056	\$ 19,457,158.15	30	8/31/2012	30	8/31/2013	\$ -	0.00%
Laredo Firefighters Retirement System	377	\$ 80,817,630	\$ 214,370.37	23.5	3/31/2010	29.8	9/30/2012	\$ 95,140,202	54.07%
Austin Police Officers' Retirement Fund	1,709	\$ 298,101,183	\$ 174,430.18	25.2	12/31/2011	29.4	12/31/2012	\$ 558,475,643	65.20%
Paris Firefighters' Relief and Retirement Fund	50	\$ 7,488,349	\$ 149,766.98	27.9	1/1/2011	29.2	1/1/2013	\$ 6,111,951	44.94%
San Antonio Metro. Transit Retirement Plan (VIA)	1,547	\$ 141,319,615	\$ 91,350.75	30	10/1/2011	29	10/1/2012	\$ 180,666,604	56.11%
Corsicana Firemen's Relief and Retirement Fund	58	\$ 7,567,902	\$ 130,481.07	29	12/31/2010	28.6	12/31/2012	\$ 6,956,513	47.90%
Fort Worth Employees Retirement Fund	6,281	\$ 748,205,870	\$ 119,122.09	19.5	1/1/2011	28.4	1/1/2012	\$ 1,869,656,263	71.42%
Teacher Retirement System of Texas	831,302	\$ 28,936,275,228	\$ 34,808.38	Infinite	8/31/2012	28.0	8/31/2013	\$ 121,729,818,906	80.79%
Nacogdoches County Hosp. District Retirement Plan	690	\$ 23,368,461	\$ 33,867.33	20	7/1/2009	27.8	7/1/2011	\$ 28,293,893	54.77%
Austin Employees' Retirement Fund	8,387	\$ 1,070,656,825	\$ 127,656.71	27.1	12/31/2011	27	12/31/2012	\$ 1,897,722,867	63.93%
Corpus Christi Fire Fighters' Retirement System	408	\$ 86,516,036	\$ 212,049.11	22.3	12/31/2010	26.7	12/31/2012	\$ 105,753,324	55.00%
Capital Metro Retirement Plan for Bargaining Units	403	\$ 32,864,573	\$ 81,549.81	29	1/1/2010	26	1/1/2013	\$ 28,705,007	46.62%
Irving Supplemental Benefit Plan	1,337	\$ 11,850,892	\$ 8,863.79	Infinite	1/1/2011	25.3	1/1/2012	\$ 43,157,892	78.46%
Lubbock Fire Pension Fund	362	\$ 55,358,443	\$ 152,923.88	22.8	12/31/2010	24.3	1/1/2013	\$ 161,745,303	74.50%
Lower Colorado River Auth. Retirement Plan and Trust	1,613	\$ 153,909,945	\$ 95,418.44	25	4/1/2012	24	4/1/2013	\$ 354,803,739	69.75%
Denison Firemen's Relief and Retirement Fund	56	\$ 5,552,667	\$ 99,154.77	9.9	1/1/2010	23.9	1/1/2012	\$ 13,680,826	71.13%
Dallas Police and Fire Pension System-Combined Plan	5,400	\$ 1,063,181,047	\$ 196,885.38	30	1/1/2012	23	1/1/2013	\$ 3,795,024,584	78.12%
Dallas/Ft. Worth Airport Board Retirement Plan	1,237	\$ 120,322,817	\$ 97,269.86	24	1/1/2011	23	1/1/2012	\$ 305,799,228	71.76%
Dallas/Ft. Worth Airport Board DPS Retirement Plan	350	\$ 51,601,188	\$ 147,431.97	24	1/1/2011	23	1/1/2012	\$ 104,620,612	66.97%
Plano Retirement Security Plan	1,957	\$ 2,478,252	\$ 1,266.35	25	12/31/2009	23	12/31/2011	\$ 84,500,525	97.15%
Port Arthur Firemen's Relief and Retirement Fund	104	\$ 13,522,937	\$ 130,028.24	22.5	1/1/2010	22.5	1/1/2012	\$ 36,116,894	72.76%
El Paso City Employees' Pension Fund	4,134	\$ 206,479,340	\$ 49,946.62	23	9/1/2011	21	9/1/2012	\$ 581,725,101	73.80%
Austin Fire Fighters Relief and Retirement Fund	955	\$ 94,585,998	\$ 99,042.93	20.5	12/31/2009	20.91	12/31/2011	\$ 651,557,181	87.32%
City Public Service of San Antonio Pension Plan	3458	\$ 198,336,500	\$ 57,355.84	20	1/1/2011	20	1/1/2012	\$ 1,185,076,518	85.66%
Harris County Hospital District Pension Plan	3,507	\$ 182,378,903	\$ 52,004.25	20	1/1/2012	20	1/1/2013	\$ 456,765,053	71.47%
Brazos River Authority Retirement Plan	166	\$ 7,455,355	\$ 44,911.78	30	3/1/2011	20	3/1/2012	\$ 19,775,845	72.62%
Capital Metro Retirement Plan for Admin Employees	229	\$ 5,029,327	\$ 21,962.13	17.9	1/1/2012	20	1/1/2013	\$ 14,888,802	74.75%
Waxahachie Firemen's Relief and Retirement Fund	48	\$ 5,763,840	\$ 120,080.00	13.8	10/1/2010	19.8	10/1/2012	\$ 10,462,784	64.48%
Physicians Referral Service Retirement Benefit Plan	1,396	\$ 184,679,474	\$ 132,291.89	15	9/1/2012	15	9/1/2013	\$ 372,273,776	66.84%
Texas County & District Retirement System	121,963	\$ 2,702,726,874	\$ 22,160.22	15.3	12/31/2011	14.8	12/31/2012	\$ 20,250,275,202	88.22%
San Benito Firemen's Pension Fund	26	\$ 1,719,561	\$ 66,136.96	18.7	12/31/2008	14.8	12/31/2011	\$ 2,523,198	59.47%

Actuarial Valuations Report
April 2014

Plan Name	Active members	Unfunded Actuarial Accrued Liability (UAAL)	UAAL Per Active Member	Old Amort period	as of	New Amort period	as of	Actuarial Value of Assets	Funded Ratio
Texarkana Firemen's Relief and Retirement Fund	79	\$ 5,524,986	\$ 69,936.53	10.3	12/31/2009	14.6	12/31/2011	\$ 26,721,817	82.87%
Refugio Co. Memorial Hosp. Dist. Retirement Plan (5)	97	\$ 36,413	\$ 375.39	13.3	11/1/2010	13.6	11/1/2012	\$ 1,889,626	98.11%
Guadalupe-Blanco River Authority	119	\$ 5,118,163	\$ 43,009.77	12.9	1/1/2012	11.3	1/1/2013	\$ 19,706,816	79.38%
Corpus Christi Regional Transportation Authority	205	\$ 2,377,297	\$ 11,596.57	12	1/1/2012	11	1/1/2013	\$ 25,566,845	91.49%
Dallas Police and Fire Pension System-Supp	39	\$ 15,702,369	\$ 402,624.85	10	1/1/2012	10	1/1/2012	\$ 21,562,556	57.86%
Northeast Medical Center Hospital Retirement Plan	0	\$ 2,685,897	-	10	7/1/2011	10	7/1/2012	\$ 8,635,458	76.28%
Northwest Texas Healthcare System Retirement Plan	193	\$ 12,194,877	\$ 63,185.89	10.5	10/1/2011	9.2	10/1/2012	\$ 17,190,249	58.50%
San Antonio Fire and Police Pension Fund	3,955	\$ 232,888,694	\$ 58,884.63	7.12	10/1/2012	7.25	10/1/2013	\$ 2,588,307,109	91.75%
Port of Houston Authority Retirement Plan	494	\$ 2,995,759	\$ 6,064.29	2	8/1/2012	4	8/1/2013	\$ 151,454,771	98.06%
Travis Cty ESD #6 Firemen's Relief & Retirement Fund	59	\$ 2,465,415	\$ 41,786.69	9.1	1/1/2010	2.9	1/1/2012	\$ 3,877,699	61.13%
Arlington Employees Deferred Income Plan	690	\$ (363,388)	\$ (526.65)	0	7/1/2012	0	7/1/2013	\$ 2,448,438	117.43%
Totals	1,335,876	\$ 52,721,823,479	\$ 29,470,112.79					\$ 219,614,093,651	
Total Liabilities		\$272,335,917,130							
Source: Pension Review Board, April 2014									

Plans with amortization periods > 40 years	28
Plans with amortization periods > 25 years < 40 years	36
Total number of plans on the list	93

Notes:

- (1) Houston Police amortization period calculated by the PRB.
- (2) Dallas Employees' amortization period calculated by the PRB.
- (3) Houston Municipal Employees amortization period calculated by the PRB.
- (4) JRS I is a pay-as-you go system with no assets devoted to the plan
- (5) Refugio County Memorial Hospital District uses the individual aggregate method. The plan's present value of future normal cost is shown as its unfunded liability, and the amortization period is derived from the payroll, the present value of future payroll, and the plan's assumed interest rate of 6.5%.

