



# Election Extra

January 2011- Issue 01-2011-EE

## Board Calls for Amendment Election for February 4 -14

The Board of trustees called for a Plan Amendment Election at the January 13 Board Meeting. The purpose of this election is to preserve and strengthen the Pension System for the future.

The Pension System has conducted a series of informational meetings to inform the Members on the proposed changes.

Ballots and voting instructions will be mailed on February 2. Voting begins on Friday, Feb. 4 at 8 a.m. and runs through noon on Monday, Feb. 14. (See the complete schedule on this page.)

### **2011 Plan Amendment Election Ballot**

The Ballot presents the proposed amendment to the Plan with a brief summary of each change. Though various changes are recommended, all the proposed changes are included in one ballot item. The election is a “yes” or “no” vote on all proposed changes, that is, you do not vote on the individual changes. Vote on the package as a whole.

You may vote on the amendment on the Internet or by telephone in accordance with the instructions provided in your election packet.

The Plan Amendment includes the following changes:

### **Applying to Current Members:**

#### ***DROP Interest***

The proposed change would remove the 25 basis point (0.25%) restriction on how

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### **Plan Amendment Election Schedule**

**January 13** - Board called for the election

**January 14** - Video explanation posted at [www.dpfp.org](http://www.dpfp.org).

**January 20** - Chiefs of Police and Fire Departments and ACM notified of the call for election.

**January 21** - Posting notices distributed to all work locations.

**January 24** - Newsletter with details of amendment sent to Members.

**February 2** - Election packets mailed to members' home addresses.

**February 4** - Voting begins at 8 a.m. on Friday, February 4.

**February 14** - Voting ends at noon (12 p.m.) on Monday, February 14.

**February 17** - Special Board Meeting – Election results certified by Board.

**February 20** - Election results posted in each Department.

## Board Calls for Amendment Election (*continued*)

much the DROP interest rate could change from one year to the next. The range of DROP interest would remain from 8% to 10% (Effective October 1, 2011.) *Section 6.14(c)*

### ***DROP Contributions***

The proposed change would require Members to make contributions to the Plan while in Active DROP. The requirement to contribute would be phased in over three (3) years beginning with the first pay period ending after October 1, 2011. *Section 4.03(j) and Section 6.14(b)*.

### ***DROP Revocation (“UnDo”)***

The change would allow the DROP participant in active service a one-time opportunity to “undo” his or her election to enter DROP.

(Effective March 1, 2011.) *Section 6.14(j)*

### **Applying to New Members**

(Persons who first become Members after February 28, 2011, or who return to Active Service after that date with no Pension Service prior to that date). *New Section 6.21 and other sections as noted below*

### ***Benefit Calculation Formula***

The proposed amendment would change the multiplier used in the formula to a three tiered calculation as follows:

The service multiplier would equal:

- 2.0% for the Member’s first twenty (20) years of Pension Service;
- 2.5% for years over twenty (20) through twenty-five (25) of Pension Service; and
- 3.0% for years over twenty-five (25).

The maximum pension as a percentage of Average Computation Pay would be 90%. *Sec-*

*tion 6.02 (b)*

Computation Pay used in the benefit calculation would be averaged over the Member’s highest sixty (60) months of Computation Pay. *Section 6.02(a)*

### ***Retirement Eligibility***

A Member would be eligible to retire after accruing twenty (20) years of Pension Service and attaining age fifty-five (55). Certificates of Member Pension Benefit Eligibility will not be issued to New Members. *Sections 6.02(a) and (b), 6.19 and 9.01(g)*

### ***Disability***

This amendment would change the eligibility criteria for a disability pension by creating a two step criteria based on the Member’s ability to perform the Member’s Police or Fire Department duties. *Sections 6.04(a) and (f), 6.05(c) and 6.15(d)*

The amendment also would provide an on-duty disability benefit that would be the greater of (1) 50% of the Member’s Average Computation Pay averaged over the highest consecutive sixty (60) months of Computation Pay; or (2) as calculated using the benefit calculation formula for new Members.

### ***Survivor Benefits***

The amendment would provide a survivor benefit to the spouse, Dependent Parent who is a Qualified Survivor or surviving children who are Qualified Survivors as a group, of a Member who dies while on active service equal to the greater of (1) the benefit amount that the deceased Member would have received if the Member had left active service

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## Board Calls for Amendment Election (*continued*)

and had attained age fifty-five (55) assuming a benefit based on a minimum of 50% of Average Computation Pay; or, as calculated using the benefit calculation formula for new Members and actual years of Pension Service. *Section 6.21(d)*

### Effective Date

If approved by the Membership, the amendment would become effective March 1, 2011.

**For comprehensive information on the Amendment Election, go to:**

**[www.dpfp.org](http://www.dpfp.org)**

## ***“Members Only” Pension Forums***

The Dallas Police and Fire Pension System will be presenting a series of “Members Only” Pension Forums, **January 27 at 1:30 p.m. and 6:30 January 28 at 1:30 p.m.**

Topics include Investments, Communications, DROP, the Plan Amendment Election, the Political situation, and more. There will also be a question and answer time.

The forums will be held at the Pension System offices, 4100 Harry Hines Boulevard in Dallas on the second floor. Parking is available on the upper parking deck.

Space is limited to 80 for each meeting. Call 214-638-3863 to register, or send an email to [info@dpfp.org](mailto:info@dpfp.org). Be sure to indicate which forum you plan to attend.

## Board Calls for Regular Trustee Election for April 1 - 11 *Prospective Candidates May Apply Feb. 21 - Mar. 4*

The Pension System will hold a Trustee election this spring to fill two Active Fire Trustee positions and two Active Police Trustee positions whose terms expire May 31. Trustees are elected for a period of four years and may run for re-election.

The filing period for candidates to run for the positions is 8 a.m. February 22 through 4 p.m. March 4. Applications will be available during the filing period at the Pension System office on the first floor at 4100 Harry Hines Blvd.

Active Members, including members in Active DROP, may vote from April 1 through April 11.

More information will be available on the Pension System Web site ([www.dpfp.org](http://www.dpfp.org)) and in the February newsletter.

### Trustee Election Schedule

**January 13** - Board called for the election

**February 21- March 4-** Candidate Filing Period

**March 7-8-** Candidate Trustee Class

**March 10** -Board certifies candidates

**March 30** -voting packets mailed to Members' home addresses

**April 1** - Voting begins at 8 a.m.

**April 11** - Voting ends at noon (12 p.m.)

**April 14** - Election results certified by Board at Regular Board Meeting; Board will determine if run-off is required.



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# From the Administrator

*Richard L. Tettamant*

Hopefully by now, you have become familiar with the proposed Plan Amendment. The purpose of the Amendment election is to preserve and protect the Pension System for current and future members.

The Board has put in many hours of research, and they considered several options to improve the funding period of the plan. The items included in the proposal are those that the Board feels are necessary to move forward, and the Board is asking that you vote “yes” to the amendment when you receive your voting materials.

Packets will be sent out on February 2, and voting begins on February 4. If you do not receive your voting packet by February 8, please call V.R. Election Services at 1-800-218-4026.

*Richard L. Tettamant  
Administrator*

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This ***Election Extra*** newsletter is a special publication for all Active Members of the **Dallas Police & Fire Pension System.**

Kevin W. Killingsworth  
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