

Dallas Police and Fire Pension System
Monday, September 26, 2016
2:00 p.m.
Second Floor Board Room
4100 Harry Hines Blvd., Suite 100
Dallas, TX

Special meeting, Samuel L. Friar, Chairman, presiding:

ROLL CALL

Board Members

Present at 2:00 Samuel L. Friar, Kenneth S. Haben, Scott Griggs, Brian Hass, Jennifer S. Gates, Erik Wilson, Tho T. Ho, Gerald D. Brown, Clint Conway, Philip T. Kingston

Absent: Joseph P. Schutz, John M. Mays

Staff

Kelly Gottschalk, Josh Mond, Summer Loveland, John Holt, Corina Terrazas, Linda Rickley

Others

Chuck Campbell, John Turner, Jason Jordan, Jeff Williams, Steve Rosen, Jeff Leonard, Kevin Martin, Michael W. Price, George D. Payne, Connie Steindorf, Jay Steindorf, Stu Fowler, Helen Fowler, William E. Young, Raymond L. Pitts, David M. Singer, Craig Anderson, Rodney Vike, Michael Bell, Govia Jenkins, Ennis Hill, J. M. Dunn, M. E. Jurado, Tim Atkins, Jerry W. Knoerr, W. C. Robison, Jimmy C. Davis, Larry Looper, David D. Kinney, Robert Gage, A. D. Donald, Nancy Webb, Don Casey, Rebecca W. Casey, J. Mark Stovall, Donald Robb, Carolyn Stovall, Larry Goldsmith, Mike Mason, Jerry Miller, David Evitts, Steve Short, James A. Thompson, Charles R. Hicks, Michael Otto, Jesse Valentine, Chip Bulin, Anthony Rolater, John Zaiti, Michael Flusche, Willie Range, Perro Henson, Jr., Roy Binion, Steve Potrykus, Gerardo Guardiola, Robert M. Verver, Robert P. Trail, Richard Kresse, Jerry M. Rhodes, Elton Garrett, Sandino L. Contreras, Carlton Ward, George Evenden, Margaret O. Snowden, Michael Gomez, Judy Richie, R. L. Yanowski, Guadalupe Del Toro, Chris Agl, Gina Lasley, David Dodson, Kenneth Cullins, James David Elliston, Angela Petrovic, Jim Sewell, Russell Morgan, Darrell Prosten, Larry D. Williams, Kenneth D. Moore, Jack Henderson, Jill S. Muncy, Valerie Johns, Edward O. Davis, Judy Aloï, Dan Wojcik, Charles Plumlee, Robert Patrick McMahan, Jeff Patterson, Curtis Gage, Laurie Carmody, Vincent Aloï, Ray Reed, Dixie R. Dickerson, Barbara Dickerson, James Parnell, Don Smith, Deborah M. Duarte, David Duarte, Tony L. Speck, Fred Caviness,

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Others (continued) Linda Caviness, Regina L. Smith, William Walsh, Ken Woodard, David Williams, Clyde Webb, Steve Carter, T. D. Roberts, P. R. Hughes, Zane Newsom, Anthony Gipson, Edgar E. Carol, John A. Lohrengel, H. R. Andrews, William E. Hunt, Gregory Courson, Lyndon G. Britt, Finnis H. Smith, Joseph A. Freeze, Debra K. Carlin, Paul V. Ellzey, Tom Payne, Mackie D. Ham, Harold G. Brown, Claude Hight, Clarence D. Lindsey, Ron Watkins, Dolores Brown, Grant Lappin, Michael Aylward, Charlie R. Webb, Dustin J. Koellhoffer, Ricky L. Rand, Michael Jones, Geraldine White, Leon Hollins, Kevin Sipes, Shbrone Mims, Bernard Pipkins, Roy Ferguson, M. J. Brady, Randy E. Loboda, Rojelio Rodriguez, Lewis M. Elam, Stewart J. Wall, James C. Jackson, Reggie Pegram, Randall Sanders, Tracy Landess, Bill Ingram, Darryl Hayes, Mike Cole, Shelley Johnston, Michael Chinchilla, Jim Aulbaugh, Eduardo Salaiz, Robert Benitez, Tom Moore, Frank Ruspoli, Sherryl Scott, Keith Allen, Joel Lavender, Richard Todd, Donald Jones, Rodney Lewis, Mark Gibbons, Michael Doeringsfeld, Geneva Brown, Jason Trahan, Mark Miller, John Wells, Joe Alexander, Steve Alexander, Lori Brown, Bob Herman, Robert Flagg, Tristan Hallman, Lyle Davis, Steve Pickett, Jose Ramirez, Pam Allen, Richard Ray, Sam Hernandez, Edward Scott

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The meeting was called to order at 2:00 p.m.

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A. DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR INDIVIDUAL CONSIDERATION:

Consideration of Possible Changes to DROP Policy and Procedures

Portions of the discussion under this topic may be closed to the public under the terms of Section 551.071 of the Texas Government Code.

The Board went into a closed executive session – legal at 2:04 p.m.

The meeting was reopened at 5:38 p.m.

After discussion, Mr. Haben made a motion that no change be made which would limit or restrict withdrawals from Retirees’ DROP accounts. Mr. Conway seconded the motion, which was unanimously approved by the Board.

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**Consideration of Possible Changes to DROP Policy and Procedures
(continued)**

Mr. Friar read aloud the following statement:

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To our Retirees:

The System has been good to you for many years. We are asking for your patience as we diligently work through our funding issues. The Board is working to find a solution that results in all members receiving their benefits as promised. As more people withdraw funds from the System, our long-term solvency will become much more challenging. Since August 11, 2016, when the proposed plan amendments were first discussed, approximately \$220 million in DROP payments have been distributed. Requests since last Wednesday, September 21, 2016, have been an additional \$82 million. We expect to process over 80 retirements for the October 13, 2016, Board meeting. The average number of retirements in a typical month is 14.

The Board is pleading that you not take actions that in total will ultimately cause further damage to the Fund and your long-term benefits. The Plan amendments are a critical part of this solution. Member meetings in the Fire Department begin this Wednesday, September 28, 2016. Additional meetings will be scheduled for all members beginning in early October.

Mr. Kingston made a motion that the Board adopt the preceding statement. Mr. Haben seconded the motion, which was unanimously approved by the Board.

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B. BRIEFING ITEMS

Reports and concerns of active members and pensioners of the Dallas Police and Fire Pension System

The Board received comments during the open forum.

No motion was made.

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ADDENDUM

**DISCUSSION AND POSSIBLE ACTION REGARDING ITEM FOR
INDIVIDUAL CONSIDERATION:**

**Release of previously discussed legal opinion regarding tax qualification
amendment**

After discussion, Mr. Conway made a motion to release the legal opinion previously provided to the Board by Ice Miller, LLP on September 8, 2016, regarding the tax qualification amendment to the Plan document. Mr. Hass seconded the motion, which was unanimously approved by the Board.

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Ms. Gottschalk stated that there was no further business to come before the Board. On a motion by Mr. Haben and a second by Mr. Hass, the meeting was adjourned at 6:03 p.m.

[signature]

Samuel L. Friar
Chairman

ATTEST:

[signature]

Kelly Gottschalk
Secretary