

## **Mr Alexander**

### **Concerns:**

#### **Kelly Gottschalk -**

See news stories from Tucson, AZ. She was Chief Investment person for the Tucson Fund where there were problems with funding and transparency.

**More transparency issues** - Annual reports before 2014 are missing from the DFPF website even though they are listed as being available for view. March, 2016 board minutes are missing. From your open records documents it looks like many travel expenses are now hidden under general American Express charges.

#### **James Perry - see DFPF Minutes and press releases**

Hired as Chief Investment Officer, September 1, 2015.

Recommended Maples Services at October 8, 2015 board meeting. Firm was hired.

Cleaned out his office in February, 2016. Staff was told he was going to work from his home in Austin and came up for board meetings

Rumor he recommended the Board hire an investment firm that his son was working at.

Left Fund in May or June, 2016 (Last Board Meeting he attended was May 12, 2016).

Started working for Maples in July, 2016. No notice that he is gone - so much for transparency. Isn't there an ethics policy that precludes an employee from leaving directly to a firm the fund does business with - especially when he was the one who recommended them?

Headlines August 24, 2015 12:25 PM EST

# Dallas Police & Fire Pension Names Inaugural CIO

*James Perry, currently assistant CIO for the Texas Tech's endowment, has been tapped to lead the deeply underfunded pension plan.*



James

The Dallas Police & Fire Pension System (DPFP) has hired its first CIO.

The \$3.1 billion retirement fund named James Perry as its investment chief, scheduled to begin September 1.

Perry

Perry is currently serving as assistant CIO and assistant vice chancellor for Texas Tech University System's \$1.1 billion endowment. He began in March 2014.

Working closely with CIO Tim Barrett, Perry has been "instrumental in restructuring several major asset classes, including private equity and real estate," DPFP said. He was also responsible for leading Texas Tech's efforts in credit, alternative equity, and liquid real assets, according to his LinkedIn profile.

"He has impressive credentials and the relevant experience to lead our portfolio," said Kelly Gottschalk, DPFP's executive director. "We believe he is the right person to lead our investments strategy moving forward and will help us achieve our long-term goals."

The Dallas pension plan suffered a 9% hit to its portfolio after overstating returns on its real asset investments, reporting losses of \$460 million for 2014.

Advisors Buck Consultants told the DFPF board last month that the pension plan could run out of money within 25 years.

“Considering the magnitude of the 2014 and 2013 losses, as well as the size of the nontraditional assets, we may need to reevaluate how the asset return is determined,” Buck Consultants said in July.

The consultant said the pension fund is currently 71.4% funded. DFPF’s documents reported a net loss of 3.8% for the year ending March 31, 2015.

Prior to his position at Texas Tech, Perry was a senior investment officer at the San Bernardino County Employees’ Retirement Association (SBCERA) for almost a decade.

At SBCERA, Perry introduced direct hedge funds and took charge of the development and expansion of the fund’s diversified global debt portfolio.

He was also a “significant contributor” in developing SBCERA’s tactical asset allocation strategies and constructing the portable alpha program, his LinkedIn profile said.

Perry has an MBA from National University and a bachelor's degree from the University of Houston. He is also a Chartered Financial Analyst and Chartered Alternative Investment Analyst.

**Related:** [Dallas Police & Fire Pension to Hire First CIO & Dallas Pension Takes Hit to Real Assets Portfolio](#)

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**Regular Board Meeting**  
**Thursday, September 10, 2015**

**B. WELCOME NEW CHIEF INVESTMENT OFFICER**

The Board welcomed James Perry, Chief Investment Officer, whose first day with DFPF was September 1, 2015.

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**C. CONSENT AGENDA**

- 1. Approval of Minutes**
  - a. Regular meeting of August 13, 2015
  - b. Special meeting of August 27, 2015
- 2. Approval of Refunds of Contributions for the Month of August 2015**
- 3. Approval of Activity in the Deferred Retirement Option Plan (DROP) for September 2015**
- 4. Approval of Estate Settlements**
- 5. Approval of Survivor Benefits**
- 6. Approval of Service Retirements**
- 7. Approval of Alternate Payee Benefits**
- 8. Approval of Five-Year Certificates for the First and Second Quarters 2015**
- 9. Approval Payment of DROP Revocation Contributions**

After discussion, Mr. Haben made a motion to approve the items on the Consent Agenda, subject to the final review of the staff. Mr. Brown seconded the motion, which was unanimously approved by the Board.

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**Regular Board Meeting**  
**Thursday, October 8, 2015**

2. **Approval of Refunds of Contributions for the Month of September 2015**
3. **Approval of Activity in the Deferred Retirement Option Plan (DROP) for October 2015**
4. **Transfer Funds from DROP to 401(k)**
5. **Approval of Estate Settlements**
6. **Approval of Survivor Benefits**
7. **Approval of Service Retirements**
8. **Approval of Alternate Payee Benefits**
9. **Approval of Payment of Military Leave Contributions**
10. **Approval Payment of DROP Revocation Contributions**

After discussion, Mr. Brown made a motion to approve the minutes of the regular meeting of September 10, 2015 and the special meeting of September 17, 2015, subject to the final review of the staff. Mr. Schutz seconded the motion, which was unanimously approved by the Board.

Mr. Conway made a motion to approve the remaining items on the Consent Agenda, subject to the final review of the staff. Mr. Brown seconded the motion, which was unanimously approved by the Board.

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**C. DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR INDIVIDUAL CONSIDERATION**

1. **Investment Reporting – Maples Fund Services**

At the September 24, 2015 Investment Advisory Committee (IAC) meeting, Maples Fund Services presented and reviewed a Consolidated Portfolio Reporting Package.



**Regular Board Meeting  
Thursday, October 8, 2015**

**1. Investment Reporting – Maples Fund Services (continued)**

Mr. Perry, Chief Investment Officer, reviewed the Consolidated Portfolio Reporting Package proposed by Maples Fund Services with the Board. The reporting package is recommended as a tool to quickly see graphically the impact of individual managers on asset class performance as well as how the portfolio is allocated and performing relative to benchmarks and goals. The insight gained from these reports aids trustees in the performance of their fiduciary duty and in having well-informed discussions with staff and consultants regarding the structure and risk profile of the portfolio.

After discussion, Mr. Schutz made a motion to accept the IAC recommendation to engage Maples Fund Services for reporting purposes, and authorize the Executive Director to execute documentation, perform all necessary acts, and exercise all appropriate discretion to facilitate this service. Mr. Brown seconded the motion, which was unanimously approved by the Board.

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**2. Allianz Global EcoTrends and Energy Opportunities Capital Management**

Mr. Perry stated that at the September 24, 2015 IAC meeting, staff and NEPC, general investment consultant, reviewed the rationale for recommending termination of Allianz Global EcoTrends and Energy Opportunities Capital Management.

Staff is recommending termination of Allianz Global EcoTrends and Energy Opportunities Capital Management from the Global Equity portfolio. These investment managers have demonstrated consistent underperformance relative to their benchmarks, as well as the ACWI global equity benchmark, and rank in the lower quartiles of global equity managers over the long term. Since inception, both investment managers achieved lower returns with higher volatility than the MSCI ACWI and are therefore detracting from performance while adding to the risk of the Global Equity portfolio.

After discussion, Mr. Schutz made a motion to accept the IAC recommendation to approve and authorize the Executive Director to execute documentation and perform all necessary acts to liquidate the investments with Allianz Global EcoTrends and Energy Opportunities Capital Management. Mr. Conway seconded the motion, which was unanimously approved by the Board.

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**Regular Board Meeting**  
**Thursday, June 9, 2016**

**11. 2016 Annual Board and Staff Workshop**

The Board and staff discussed possible topics for the 2016 annual workshop.

No motion was made.

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**12. Spouse Wed After Retirement**

Staff briefed the Board regarding a request by a member to make a SWAR election.

The Board went into a closed executive session – legal at 1:24 p.m.

The meeting was reopened at 2:09 p.m.

After discussion, Mr. Ho made a motion to approve the request for a Spouse Wed After Retirement (SWAR) election, contingent upon either the Member coming to DFPF’s offices to make the election or the required medical documentation being provided within a maximum of thirty (30) days. Mr. Kingston seconded the motion, which was passed by the following vote:

For: Ho, Kingston, Mays, Friar, Haben, Gates, Schutz  
Against: Hass, Conway  
Absent: Wilson

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**13. Legal issues**

- a. Police Officer and Firefighter pay lawsuits
- b. Potential claims involving fiduciaries and advisors
- c. 2014 Plan amendment election and litigation
- d. **Employment agreement**

The Board went into a closed executive session – legal at 2:14 p.m.

The meeting was reopened at 2:49 p.m.

No motion was made.

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## James Perry

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Head of Institutional Investor Solutions  
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[Send Email](#)

### Expertise

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James Perry is Head of Institutional Investor Solutions at Maples Fund Services where he is responsible for shaping the firm's offerings and enhancing its service delivery to institutional investors. He brings more than 20 years of investment management experience, the past 10 years serving in senior investment roles overseeing portfolios of public assets in California and Texas. James is a recognised thought leader in the investment industry, as evidenced through a number of awards, including being named as one of the Top 30 Pension Fund Chief Investment Officers (Trusted Insight, 2016) and receiving the Investor Intelligence Award for Innovation (Institutional Investor, 2014).

### Professional Background

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James joined Maples Fund Services in 2016. Previously, he served as Chief Investment Officer of the Dallas Police and Fire Pension System where he oversaw all investments in the system's portfolio. Prior to that, he served as Assistant Vice Chancellor and Assistant Chief Investment Officer for the Texas Tech University System, and was the Senior Investment Officer at San Bernardino County Employees' Retirement Association.

### Education

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National University, Master of Business Administration with Distinction, 1995.  
University of Houston, Bachelor of Applied Science, Biochemical and Biophysical Science, 1986.

### Professional / Civic Activities

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Chartered Financial Analyst  
Chartered Alternative Investment Analyst

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