



**D A L L A S**  
**POLICE & FIRE**  
**PENSION SYSTEM**



**MINUTES SUMMARY**

**Board Meeting**

**Thursday, May 11, 2023**

The Required Public Meeting, Regular and Supplemental meetings of the Dallas Police and Fire Pension System Board of Trustees were held at 8:30 a.m. on Thursday, May 11, 2023, in the Second Floor Board Room at 4100 Harry Hines Blvd., Dallas, Texas.

**REQUIRED PUBLIC MEETING**

The Required Public Meeting was called to order at 8:33 a.m.

1. a. The Chief Financial Officer presented the first quarter 2023 financial statements.
- b. The Executive Director reviewed the Monthly Contribution Report.
2. Prior to commencing items for Board discussion and deliberation, the Board received public comments during the open forum.

The Required Public Meeting was adjourned at 8:44 a.m.

**REGULAR POLICE AND FIRE PENSION SYSTEM BOARD MEETING**

The Regular meeting was called to order and recessed at 8:33 a.m.

The Regular meeting was reconvened at 8:44 a.m.

**A. MOMENT OF SILENCE**

The Board observed a moment of silence in memory of members and pensioners who recently passed away.

**B. CONSENT AGENDA**

Approved by the Board, subject to the final review of the staff.

**MINUTE SUMMARY**  
**Board Meeting**  
**Thursday, May 11, 2023**

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

1. The Chief Financial Officer presented the first quarter 2023 financial statements.
2. The Executive Director reviewed the Monthly Contribution Report.
3. Representatives from BDO, DPFP's independent audit firm, discussed their audit plan for the year ended December 31, 2022.
4. The Audit Committee Chair commented on the Audit Committee meeting with BDO on May 11, 2023 regarding the Audit Plan for the 2022 audit.
5. The Executive Director briefed the Board on the cause of certain benefit overpayments and will propose a plan of recovery for the Board's consideration at the June Board meeting.
6. The Board and staff discussed future Trustee education. There was no future Trustee business-related travel or investment-related travel scheduled.
7. Staff briefed the Board on recent events and current developments with respect to the investment portfolio.
8. Staff provided an overview of the Natural Resources portfolio and the strategy for DPFP's timber holdings managed by BTG Pactual.
9. Approved the following Police Officer Trustee candidates: Kenneth Haben, Zachary Knetzer, and Michael Taglienti, and the following Firefighter Trustee candidates: Armando Garza, David Hatch, Matthew Shomer, and David Waks as qualified to serve as Trustees pursuant to the requirements of Article 6243a-1 Section 3.01 (b-1) (1).
10. Staff briefed the Board on pension bills that have been filed which may bear on DPFP.
11. The Executive Director briefed the Board on the proposed timeline for the independent actuarial analysis.
12. The Board and staff discussed legal issues.

**MINUTE SUMMARY**  
**Board Meeting**  
**Thursday, May 11, 2023**

**D. BRIEFING ITEMS**

1. Prior to commencing items for Board discussion and deliberation, the Chairman extended an opportunity for public comment. No one requested to speak to the Board.
2. The Executive Director's report was presented.

The Regular meeting was adjourned at 10:53 a.m.

**SUPPLEMENTAL POLICE AND FIRE PENSION BOARD MEETING**

The Supplemental meeting was called to order and recessed at 8:33 a.m.

The Supplemental meeting was reconvened at 10:53 a.m.

**A. CONSENT AGENDA**

Approved by the Board, subject to the final review of the staff.

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

The Chief Financial Officer presented the first quarter 2023 financial statements.

The Supplemental meeting was adjourned at 10:54 a.m.

**Dallas Police and Fire Pension System  
Thursday, May 11, 2023  
8:30 a.m.  
4100 Harry Hines Blvd., Suite 100  
Second Floor Board Room  
Dallas, TX**

Required Public meeting, Nicholas A. Merrick, Chairman, presiding:

**ROLL CALL**

**Board Members**

Present at 8:33 a.m. Nicholas A. Merrick, William F. Quinn, Armando Garza, Michael Brown (by telephone), Kenneth Haben, Tina Hernandez Patterson, Steve Idoux, Mark Malveaux (by telephone), Nancy Rocha, Anthony Scavuzzo, Marcus Smith

Absent: None

**Staff**

Kelly Gottschalk, Josh Mond, Ryan Wagner, Brenda Barnes, Akshay Patel, John Holt, Nien Nguyen, Milissa Romero, Cynthia J. Thomas

**Others**

Jill Svoboda, Matt Liu, Tom Tull, Kristi Walters, Michael Taglienti

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The first of two annual public meetings of the Dallas Police and Fire Pension System Board of Trustees as required by Section 3.01 (j-9) of Article 6243a-1 of Vernon’s Revised Civil Statutes.

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The Required Public meeting was called to order at 8:33 a.m.

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**1. Report on the health and performance of the Pension System**

- a. The Chief Financial Officer presented the first quarter 2023 financial statements.
- b. The Executive Director reviewed the Monthly Contribution Report.

No motion was made.

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**Required Public Meeting  
Thursday, May 11, 2023**

**2. Public Comment**

Prior to commencing items for Board discussion and deliberation, the Board received public comments during the open forum.

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Ms. Gottschalk stated that there was no further business to come before the Board. On a motion by Mr. Garza and a second by Mr. Smith, the meeting was adjourned at 8:44 a.m.

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Nicholas A. Merrick  
Chairman

**ATTEST:**

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Kelly Gottschalk  
Secretary

**Dallas Police and Fire Pension System  
Thursday, May 11, 2023  
8:30 a.m.  
4100 Harry Hines Blvd., Suite 100  
Second Floor Board Room  
Dallas, TX**

Regular meeting, Nicholas A. Merrick, Chairman, presiding:

**ROLL CALL**

**Board Members**

Present at 8:33 a.m. Nicholas A. Merrick, William F. Quinn, Armando Garza, Michael Brown (by telephone), Kenneth Haben, Tina Hernandez Patterson, Steve Idoux, Mark Malveaux (by telephone), Nancy Rocha, Anthony Scavuzzo, Marcus Smith

Absent: None

**Staff**

Kelly Gottschalk, Josh Mond, Ryan Wagner, Brenda Barnes, Akshay Patel, John Holt, Nien Nguyen, Milissa Romero, Cynthia J. Thomas

**Others**

Jill Svoboda, Matt Liu, Tom Tull, Kristi Walters, Michael Taglienti, Aaron Lally (by telephone)

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The Regular meeting was called to order and recessed at 8:33 a.m.

The Regular meeting was reconvened at 8:44 a.m.

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**A. MOMENT OF SILENCE**

The Board observed a moment of silence in memory of active police officer Kevin M. Green, retired police officer Larry L. Howard, and retired firefighters Darryl W. McGuire, Ronald D. Childre, Michael R. Roach, and R. H. Barrett.

No motion was made.

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**Regular Board Meeting  
Thursday, May 11, 2023**

**B. CONSENT AGENDA**

**1. Approval of Minutes**

Regular meeting of April 13, 2023

**2. Approval of Refunds of Contributions for the Month of April 2023**

**3. Approval of Activity in the Deferred Retirement Option Plan (DROP) for May 2023**

**4. Approval of Estate Settlements**

**5. Approval of Survivor Benefits**

**6. Approval of Service Retirements**

**7. Approval of Alternate Payee Benefits**

After discussion, Mr. Quinn made a motion to approve the minutes of the Regular meeting of April 13, 2023. Mr. Scavuzzo seconded the motion, which was unanimously approved by the Board.

After discussion, Mr. Garza made a motion to approve the remaining items on the Consent Agenda, subject to the final approval of the staff. Mr. Smith 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. Quarterly Financial Reports**

The Chief Financial Officer presented the first quarter 2023 financial statements.

No motion was made.

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**Regular Board Meeting  
Thursday, May 11, 2023**

**2. Monthly Contribution Report**

The Executive Director reviewed the Monthly Contribution Report.

No motion was made.

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**3. Audit Plan**

Jill Svoboda and Matt Liu from BDO, DPF's external independent audit firm, discussed their audit plan for the year ended December 31, 2022.

No motion was made.

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**4. Report on Audit Committee Meeting**

The Audit Committee met with Jill Svoboda and Matt Liu from BDO on May 11, 2023 to review the Audit Plan for the 2022 audit. The Committee Chair commented on the meeting and the audit plan.

No motion was made.

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**5. Benefits Overpayment**

Through an unrelated review process, staff discovered ten members and beneficiaries who have benefits which are overstated. Section 802.1024 of the Government Code requires DPF to recover the overpayments although recovery is limited to overpayments occurring not more than three years of the discovery of the overpayment. The Correction of Errors in Benefits Payment Policy requires Board approval for repayments which exceed \$10,000 and exceed one year.

The Executive Director briefed the Board on the cause of certain benefit overpayments and will propose a plan of recovery for the Board's consideration at the June Board meeting.

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**Regular Board Meeting  
Thursday, May 11, 2023**

**6. Board approval of Trustee education and travel**

- a. Future Education and Business-related Travel
- b. Future Investment-related Travel

The Board and staff discussed future Trustee education. There was no future Trustee business-related travel or investment-related travel scheduled.

No motion was made.

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**7. Portfolio Update**

Investment staff briefed the Board on recent events and current developments with respect to the investment portfolio.

No motion was made.

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**8. Natural Resources Portfolio Review - BTG Pactual**

The Board went into closed executive session at 10:03 a.m.

The meeting reopened at 10:50 a.m.

Investment staff provided an overview of the Natural Resources portfolio and the strategy for DPFPP’s timber holdings managed by BTG Pactual.

No motion was made.

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**9. Review Police Officer and Fire Fighter Trustee applicant qualifications**

The Board went into closed executive session at 10:03 a.m.

The meeting reopened at 10:50 a.m.

Section 3.01(b-3) requires the Board to make a determination as to whether potential candidates for the police officer and firefighter trustee positions meet the qualifications of Section 3.01(b-1) to serve as a trustee. Section 3.01 (b-1) requires that a trustee not be an elected official of the city and that a trustee has demonstrated financial, accounting, business, investment, budgeting, real estate, or actuarial experience.

**Regular Board Meeting  
Thursday, May 11, 2023**

**9. Review Police Officer and Fire Fighter Trustee applicant qualifications (continued)**

Mr. Garza and Mr. Haben left the meeting and recused themselves during the discussion.

After discussion, Mr. Quinn made a motion to approve the following Police Officer Trustee candidates: Kenneth Haben, Zachary Knetzer, and Michael Taglienti, and the following Firefighter Trustee candidates: Armando Garza, David Hatch, Matthew Shomer, and David Waks as qualified to serve as Trustees pursuant to the requirements of Article 6243a-1 Section 3.01 (b-1) (1). Mr. Idoux seconded the motion, which was unanimously approved by the Board with Mr. Garza and Mr. Haben recusing.

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**10. Legislative Update**

Staff briefed the Board on pension bills that have been filed which may bear on DFPF.

No motion was made.

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**11. Independent Actuarial Analysis**

The Executive Director briefed the Board on the proposed timeline for the independent actuarial analysis.

No motion was made.

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**12. Legal issues - In accordance with Section 551.071 of the Texas Government Code, the Board will meet in executive session to seek and receive the advice of its attorneys about pending or contemplated litigation or any other legal matter in which the duty of the attorneys to DFPF and the Board under the Texas Disciplinary Rules of Professional Conduct clearly conflicts with Texas Open Meeting laws.**

The Board went into closed executive session at 10:03 a.m.

The meeting reopened at 10:50 a.m.

The Board and staff discussed legal issues.

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**Regular Board Meeting  
Thursday, May 11, 2023**

**D. BRIEFING ITEMS**

**1. Public Comments**

Prior to commencing items for Board discussion and deliberation, the Chairman extended an opportunity for public comment. No one requested to speak to the Board.

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**2. Executive Director's report**

- a. Associations' newsletters
  - NCPERS Monitor (May 2023)
- b. Open Records

The Executive Director's report was presented.

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Ms. Gottschalk stated that there was no further business to come before the Board. On a motion by Mr. Idoux and a second by Ms. Hernandez Patterson, the meeting was adjourned at 10:53 a.m.

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Nicholas A. Merrick  
Chairman

**ATTEST:**

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Kelly Gottschalk  
Secretary