



D A L L A S
POLICE & FIRE
PENSION SYSTEM



MINUTES SUMMARY

Board Meeting

Thursday, June 8, 2023

The Regular and Supplemental meetings of the Dallas Police and Fire Pension System Board of Trustees were held at 8:30 a.m. on Thursday, June 8, 202~~3~~², in the Second Floor Board Room at 4100 Harry Hines Blvd., Dallas, Texas.

REGULAR POLICE AND FIRE PENSION SYSTEM BOARD MEETING

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

C. DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR INDIVIDUAL CONSIDERATION

1. The Board reelected the current Board officers to their current positions as chairman, vice chairman, and deputy vice chairman.
2. The Board directed Segal to use its recommended assumptions in preparing the January 1, 2023. Actuarial Valuation for the Regular Plan (Combined Plan) and the Supplemental Plan.
3. The Executive Director reviewed the Monthly Contribution Report.
4. The Board and staff discussed future Trustee education. There was no future Trustee business-related travel or investment-related travel scheduled.
5. The Chief Financial Officer provided a status update on the annual financial audit.

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6. Investment staff briefed the Board on recent events and current developments with respect to the investment portfolio.
7. Meketa and Investment staff presented the First Quarter 2023 Investment Performance Analysis and Fourth Quarter 2022 Private Markets & Real Assets Review reports.
8. Staff briefed the Board on pension bills that have been filed which may bear on DPFPP.
9. Manulife Agriculture updated the Board on the status and plans for DPFPP's agricultural portfolio and provided a market update on the major crops in the DPFPP portfolio.
10. The Board approved the proposed plan to recover benefit overpayments.
11. The Board and staff discussed legal issues.

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 11:27 a.m.

MINUTE SUMMARY

Board Meeting

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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 11:27 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 Board directed Segal to use its recommended assumptions in preparing the January 1, 2023. Actuarial Valuation for the Regular Plan (Combined Plan) and the Supplemental Plan.

The Supplemental meeting was adjourned at 11:28 a.m.

**Dallas Police and Fire Pension System
Thursday, June 8, 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 (by telephone), Kenneth Haben, Tina Hernandez Patterson, (by telephone), Anthony Scavuzzo (by telephone), Marcus Smith

Absent: Michael Brown, Steve Idoux, Mark Malveaux, Nancy Rocha

Staff

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

Others

Tom Tull, Luke Gittemeier, Caitlin Grice (by telephone), Jeff Williams (by telephone), Leandro Festino (by telephone), Aaron Lally (by telephone), Stuart Pattillo, Mitchell Zaniboni, Rick Salinas

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

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A. MOMENT OF SILENCE

The Board observed a moment of silence in memory of retired police officer Benjamin J. Adamcik, and retired firefighters David W. Baker and Lynn B. Brantley.

No motion was made.

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B. CONSENT AGENDA

1. Approval of Minutes

- a. Required Public meeting #1 of May 11, 2023
- b. Regular meeting of May 11, 2023

**Regular Board Meeting
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B. CONSENT AGENDA (continued)

- 2. Approval of Refunds of Contributions for the Month of May 2023**
- 3. Approval of Activity in the Deferred Retirement Option Plan (DROP) for June 2023**
- 4. Approval of Estate Settlements**
- 5. Approval of Survivor Benefits**
- 6. Approval of Service Retirements**
- 7. Approval of Alternate Payee Benefits**
- 8. Approval of Payment of Military Leave Contributions**
- 9. Approval of Earnings Test**

After discussion, Mr. Quinn made a motion to approve the minutes of the Required Public meeting #1 and the Regular meeting of May 11, 2023. Mr. Smith seconded the motion, which was unanimously approved by the Board.

After discussion, Mr. Haben 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. Board Chairman, Vice Chairman, and Deputy Vice Chairman Election

Section 3.01(g) of Article 6243a-1 requires the Board in June of every odd year to elect from among its trustees a chairman, vice chairman, and a deputy vice chairman, each to serve for two-year terms.

After discussion, Mr. Haben made a motion to reelect the current Board Officers to their current positions as chairman, vice chairman, and deputy vice chairman. Mr. Smith seconded the motion, which was unanimously approved by the Board.

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2. January 1, 2023 Actuarial Valuation Assumptions

Caitlin Grice, Consulting Actuary and Jeff Williams, Vice President and Actuary of Segal Consulting, reviewed the assumptions used for January 1, 2022 Actuarial Valuation and believe they remain appropriate and have recommended only minor changes to the assumptions for the January 1, 2023 Actuarial Valuation for the Regular Plan (Combined Plan) and the Supplemental Plan.

After discussion, Mr. Haben made a motion to direct Segal to use its recommended assumptions in preparing the January 1, 2023 Actuarial Valuation for the Regular Plan (Combined Plan) and the Supplemental Plan. Ms. Hernandez Patterson seconded the motion, which was unanimously approved by the Board.

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3. Monthly Contribution Report

The Executive Director reviewed the Monthly Contribution Report.

No motion was made.

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Mr. Garza temporarily left the meeting at 8:46 am.

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4. 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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5. Financial Audit Status

The Chief Financial Officer provided a status update on the annual financial audit.

No motion was made.

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**Regular Board Meeting
Thursday, June 8, 2023**

6. 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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7. First Quarter 2023 Investment Performance Analysis and Fourth Quarter 2022 Private Markets & Real Assets Review

Leandro Festino and Aaron Lally of Meketa Investment Group and the Investment Staff reviewed the first quarter 2023 Investment Performance Analysis and the fourth quarter 2022 Private Markets & Real Assets Review reports.

No motion was made.

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8. 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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Mr. Garza rejoined the meeting at 10:04 am.

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9. Natural Resources: Manulife Agriculture Presentation

The Board went into closed executive session at 10:13 a.m.

The meeting reopened at 11:24 a.m.

Stuart Pattillo, Director and Senior Portfolio Manager and Mitchell Zaniboni, Portfolio Analyst, representatives of Manulife Agriculture updated the Board on the status and plans for DFPF’s agricultural portfolio and provided a market update on the major crops in the DFPF portfolio.

No motion was made.

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10. Benefits Overpayment

Staff briefed the Board on the cause and magnitude of the members and beneficiaries whose benefits are overstated and proposed a plan of recovery for the Board’s consideration. Section 802.1024 of the Government Code requires DPFPP to recover the overpayments although recovery is limited to overpayments occurring not more than three years since 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.

After discussion, Ms. Hernandez Patterson made a motion to approve the proposed plan to recover the overpayments. Mr. Smith seconded the motion, which was unanimously approved by the Board.

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11. 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 DPFPP 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 10:13 a.m.

The meeting reopened at 11:24 a.m.

The Board and staff discussed legal issues.

No motion was made.

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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 (June 2023)
- b. Open Records
- c. Trustee Election Update

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 Ms. Hernandez Patterson and a second by Mr. Quinn, the meeting was adjourned at 11:27 a.m.

Nicholas A. Merrick
Chairman

ATTEST:

Kelly Gottschalk
Secretary