



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



**MINUTES SUMMARY**

**Board Meeting**

**Thursday, July 13, 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, July 13, 2023, 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 8:30 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. Staff provided the quarterly update on the private asset cash flow projection model first discussed at the February 2018 Board meeting.
2. The Board directed staff to hire Meketa as the general investment consultant and hire Albourne as the private markets investment consultant and authorized the executive director to enter into investment consultant agreements with Meketa and Albourne.
3. The Board certified the election results of the Police Officer and Firefighter Trustee election and authorized a runoff election for the Firefighter Trustee position between Armando Garza and Matthew Shomer.
4. The Executive Director reviewed the Monthly Contribution Report.

**MINUTE SUMMARY**

**Board Meeting**

**Thursday, July 13, 2023**

5. The Board and staff discussed future Trustee education. There was no future Trustee business-related travel or investment-related travel scheduled.
6. The Chief Financial Officer provided a status update on the annual financial audit.
7. Investment staff briefed the Board on recent events and current developments with respect to the investment portfolio.
8. The Investment Advisory Committee met on June 22, 2023. The Committee Chair and Investment staff commented on the Committee observations and advice.
9. The Board approved the updated Public Equity Structure.
10. The Board and staff discussed a benefit underpayment.
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 10:31 a.m.

**MINUTE SUMMARY**  
**Board Meeting**  
**Thursday, July 13, 2023**

**SUPPLEMENTAL POLICE AND FIRE PENSION BOARD MEETING**

The Supplemental meeting was called to order and recessed at 8:30 a.m.

The Supplemental meeting was reconvened at 10:31 a.m.

**CONSENT AGENDA**

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

The Supplemental meeting was adjourned at 10:31 a.m.

**Dallas Police and Fire Pension System  
Thursday, July 13, 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, Kenneth Haben, Steve Idoux (by telephone), Mark Malveaux (by telephone), Tina Hernandez Patterson (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, Carol Huffman, Nagjeevan (Jenny) Singh, Kaitlyn Gensler, Cynthia J. Thomas

**Others**

Aaron Lally (by telephone), Tom Tull

\* \* \* \* \*

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

\* \* \* \* \*

**A. MOMENT OF SILENCE**

The Board observed a moment of silence in memory of active police officer Darryl W. Gary, retired police officers Charles E. Storey, Jimmy L. Stone, David L. Peeples, Robert V. Johnson, and retired firefighter Garland A. Beaty.

No motion was made.

\* \* \* \* \*

**B. CONSENT AGENDA**

**1. Approval of Minutes**

Regular meeting of June 8, 2023

**Regular Board Meeting  
Thursday, July 13, 2023**

**B. CONSENT AGENDA (continued)**

- 2. Approval of Refunds of Contributions for the Month of June 2023**
- 3. Approval of Estate Settlements**
- 4. Approval of Survivor Benefits**
- 5. Approval of Service Retirements**
- 6. Approval of Alternate Payee Benefits**

After discussion, Mr. Garza made a motion to approve the minutes of the Regular meeting of June 8, 2023. Mr. Quinn seconded the motion, which was unanimously approved by the Board.

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

Mr. Smith was not present during the Consent Agenda.

\* \* \* \* \*

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

**1. Private Asset Cash Flow Projection Update**

Staff provided the quarterly update on the private asset cash flow projection model first discussed at the February 2018 Board meeting. The cash flow model projects estimated contributions to, and distributions from, private assets through the end of 2024. These estimates are intended to assist the Board in evaluating the expected time frame to reduce DPF's exposure to these assets and the implications for the public asset redeployment, overall asset allocation, and expected portfolio risk and return.

Mr. Smith joined the meeting at 8:37 a.m.

No motion was made.

\* \* \* \* \*

**Regular Board Meeting  
Thursday, July 13, 2023**

**2. Consultant Selection**

Meketa was hired as DFPF's general investment consultant in April 2018. At the time Meketa was hired, DFPF did not expect to make any new private market investments over the near-term given the overallocation issue. Because of this, Meketa was not engaged to provide any direct private market services outside of performance reporting.

Staff conducted a consultant search over the past four months, which included RFPs being issued to nine firms. A sub-committee of six members of both Board and IAC members has been advising staff throughout the process. Staff and the sub-committee recommended retaining Meketa as the general consultant and interviewing Meketa and Albourne as it relates to private markets consulting. The sub-committee held in-person interviews with Albourne and Meketa on June 15th.

The Board went into closed executive session at 9:23 a.m.

The meeting reopened at 9:38 a.m.

After discussion, Mr. Garza made a motion to hire Meketa as the general investment consultant and hire Albourne as the private markets investment consultant and authorize the executive director to enter into investment consultant agreements with Meketa and Albourne. Mr. Quinn seconded the motion, which was approved by the following vote:

For: Mr. Merrick, Mr. Quinn, Mr. Garza, Mr. Brown, Mr. Scavuzzo, Mr. Smith, Mr. Idoux, Ms. Rocha, Mr. Malveaux, Ms. Hernandez Patterson,  
Opposed: Mr. Haben

\* \* \* \* \*

**3. Certification of Police Officer and Firefighter Trustees Election Results**

The terms of the Police Officer and Firefighter Trustees (Kenneth Haben and Armando Garza) expire on August 31, 2023.

YesElections, an independent third-party election company, conducted the election process for the Police Officer and Firefighter Trustee positions following the election rules adopted by the Board, and the voting period ended on June 28, 2023. Under the election rules adopted by the Board, the Police and Firefighter candidate must receive 50% +1 vote to be elected as a Police Officer or Firefighter Trustee. A runoff election is required if no candidate gets more than the necessary majority of the votes cast.


## Regular Board Meeting Thursday, July 13, 2023

### 3. Certification of Police Officer and Firefighter Trustees Election Results (continued)

Michael Taglienti received more than 50% of the votes cast for the Police Officer Trustee, so he has been elected as the Police Officer Trustee with a term from September 1, 2023 to August 31, 2026. No candidate received more than 50% of the votes in the Firefighter Trustee election, so a runoff election is needed to elect the Firefighter Trustee.

After discussion, Mr. Quinn made a motion to certify the election results of the Police Officer and Firefighter Trustee election and authorize a runoff election for the Firefighter Trustee position between Armando Garza and Matthew Shomer. Mr. Smith seconded the motion, which was unanimously approved by the Board.

Mr. Garza abstained from the vote.



**Results:**

Race	Candidate/Choice	Votes	Percent
Police Officer Trustee - Police	Michael Taglienti	132	55.46%
Police Officer Trustee - Police	Kenneth Haben (incumbent)	76	31.93%
Police Officer Trustee - Police	Zachary Knetzer	30	12.61%

Race	Candidate/Choice	Votes	Percent
Firefighter Trustee - Fire	Armando Garza (incumbent)	124	31.55%
Firefighter Trustee - Fire	Matthew Shomer	97	24.68%
Firefighter Trustee - Fire	David Waks	87	22.14%
Firefighter Trustee - Fire	David Hatch	85	21.63%

**Turnout:**

Group	Internet	Phone	Total	Electorate	Turnout %
Fire	342	51	393	2024	19.42
Police	208	30	238	3048	7.81
<b>Total</b>	<b>550</b>	<b>81</b>	<b>631</b>	<b>5072</b>	<b>12.44</b>

1775 I St NW  
Suite 1150  
Washington, DC 20006

155 Mineola Blvd.  
Suite 102  
Mineola, NY 11501

4275 Executive Sq.  
Suite 200  
San Diego, CA 92037

(866) 514-2995 | [YesElections.com](https://YesElections.com)

**Regular Board Meeting  
Thursday, July 13, 2023**

\* \* \* \* \*

**4. Monthly Contribution Report**

The Executive Director reviewed the Monthly Contribution Report.

No motion was made.

\* \* \* \* \*

**5. 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.

\* \* \* \* \*

**6. Financial Audit Status**

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

No motion was made.

\* \* \* \* \*

**7. Portfolio Update**

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

No motion was made.

\* \* \* \* \*



**Regular Board Meeting  
Thursday, July 13, 2023**

**8. Report on the Investment Advisory Committee**

The Investment Advisory Committee met on June 22, 2023. The Committee Chair and Investment Staff commented on the Committee’s observations and advice.

No motion was made.

\* \* \* \* \*

**9. Public Equity Structure Review**

At the June 22, 2023 Investment Advisory Committee meeting, Meketa and staff reviewed the structure of DFPF’s Public Equity allocation, with a focus on active vs. passive weights within the 60% total target allocation. The IAC concurred with the recommendation to decrease the Active Global Equity manager targets from 8% to 6%, decrease the Small Cap Equity manager targets from 4% to 3% and increase the Passive Global Equity target from 15% to 25%.

The Public Equity Structure was last updated and approved by the Board in October 2021. The Investment Policy Statement (IPS) requires Asset Class Structure Reviews for any asset class with multiple managers. The purpose of the structure review is to establish the investment manager roles and allocations that will be used to implement the asset allocation within a particular asset class.

After discussion, Mr. Scavuzzo made a motion to approve the updated Public Equity Structure. Mr. Brown seconded the motion, which was unanimously approved by the Board.

\* \* \* \* \*

**10. Benefit Underpayment Notification**

Staff will brief the Board regarding an underpayment, notification of which is required to be given to the Board under the Correction of Errors in Benefits Payments Policy.

The Board went into closed executive session at 10:04 a.m.

The meeting reopened at 10:31 a.m.

No motion was made.

**Regular Board Meeting  
Thursday, July 13, 2023**

\* \* \* \* \*

- 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 DPFP 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 10:04 a.m.

The meeting reopened at 10:31 a.m.

The Board and staff discussed legal issues.

No motion was made.

\* \* \* \* \*

**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.

\* \* \* \* \*

**2. Executive Director's report**

- a. Associations' newsletters
  - NCPERS Monitor (July 2023)
  - TEXPERS Pension Observer Vol 2 2023 (anyflip.com)
- b. Open Records
- c. Staffing Update
- d. Independent Actuarial Services Request for Proposal

The Executive Director's report was presented.

\* \* \* \* \*

**Regular Board Meeting  
Thursday, July 13, 2023**

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. Smith, the meeting was adjourned at 10:31 a.m.

\_\_\_\_\_  
Nicholas A. Merrick  
Chairman

**ATTEST:**

\_\_\_\_\_  
Kelly Gottschalk  
Secretary

DRAFT