

AGENDA



Date: May 5, 2023

The supplemental meeting of the Dallas Police and Fire Pension System Board of Trustees will be held at **8:30 a.m. on Thursday, May 11, 2023, in the Second Floor Board Room at 4100 Harry Hines Boulevard, Dallas, Texas and via telephone conference for audio at 214-271-5080 access code 588694 or Toll-Free (US & CAN): 1-800-201-5203 and Zoom meeting for visual <https://us02web.zoom.us/j/81745334176?pwd=MHIPcWZPc2xzYnJMNFVYeXh5Vmhidz09> Passcode: 514630** Items of the following agenda will be presented to the Board:

A. CONSENT AGENDA

Approval of Minutes

Regular meeting of April 13, 2023

B. DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR INDIVIDUAL CONSIDERATION

Quarterly Financial Statements

The term "possible action" in the wording of any Agenda item contained herein serves as notice that the Board may, as permitted by Texas Government Code, Section 551, in its discretion, dispose of any item by any action in the following non-exclusive list: approval, disapproval, deferral, table, take no action, and receive and file. At the discretion of the Board, items on this agenda may be considered at times other than in the order indicated in this agenda.

At any point during the consideration of the above items, the Board may go into Closed Executive Session as per Texas Government Code, Section 551.071 for consultation with attorneys, Section 551.072 for real estate matters, Section 551.074 for personnel matters, and Section 551.078 for review of medical records.

**Dallas Police and Fire Pension System
Thursday, April 13, 2023
8:30 a.m.
4100 Harry Hines Blvd., Suite 100
Second Floor Board Room Dallas, TX**

Supplemental meeting, William F. Quinn, Vice Chairman, presiding:

ROLL CALL

Board Members

Present at 8:31 a.m. Nicholas A. Merrick (by telephone), William F. Quinn, Armando Garza (by telephone), Kenneth Haben, Steve Idoux (by telephone), Mark Malveaux (by telephone), Tina Hernandez Patterson, Anthony Scavuzzo, Marcus Smith

Absent: Michael Brown, Nancy Rocha

Staff

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

Others

Ron Pastore, Aaron Lally, Tom Tull, Mark Morrison (by telephone), John Gnann, Shawn Rabb, Kristi Walters, Michael Taglienti

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The Supplemental meeting was called to order and recessed at 8:31 a.m.

The Supplemental meeting was reconvened at 11:30 a.m.

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CONSENT AGENDA

1. Approval of Minutes

Regular meeting of March 9, 2023

2. Approval of Survivor Benefits

After discussion, Ms. Hernandez Patterson made a motion to approve the minutes of the meeting of March 9, 2023. Mr. Haben seconded the motion, which was unanimously approved by the Board.

**Supplemental Board Meeting
Thursday, April 13, 2023**

CONSENT AGENDA (continued)

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

Mr. Idoux was not present when the vote was taken.

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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. Scavuzzo, the meeting was adjourned at 11:31 a.m.

William F. Quinn
Vice Chairman

ATTEST:

Kelly Gottschalk
Secretary



DISCUSSION SHEET

Supplemental

ITEM B

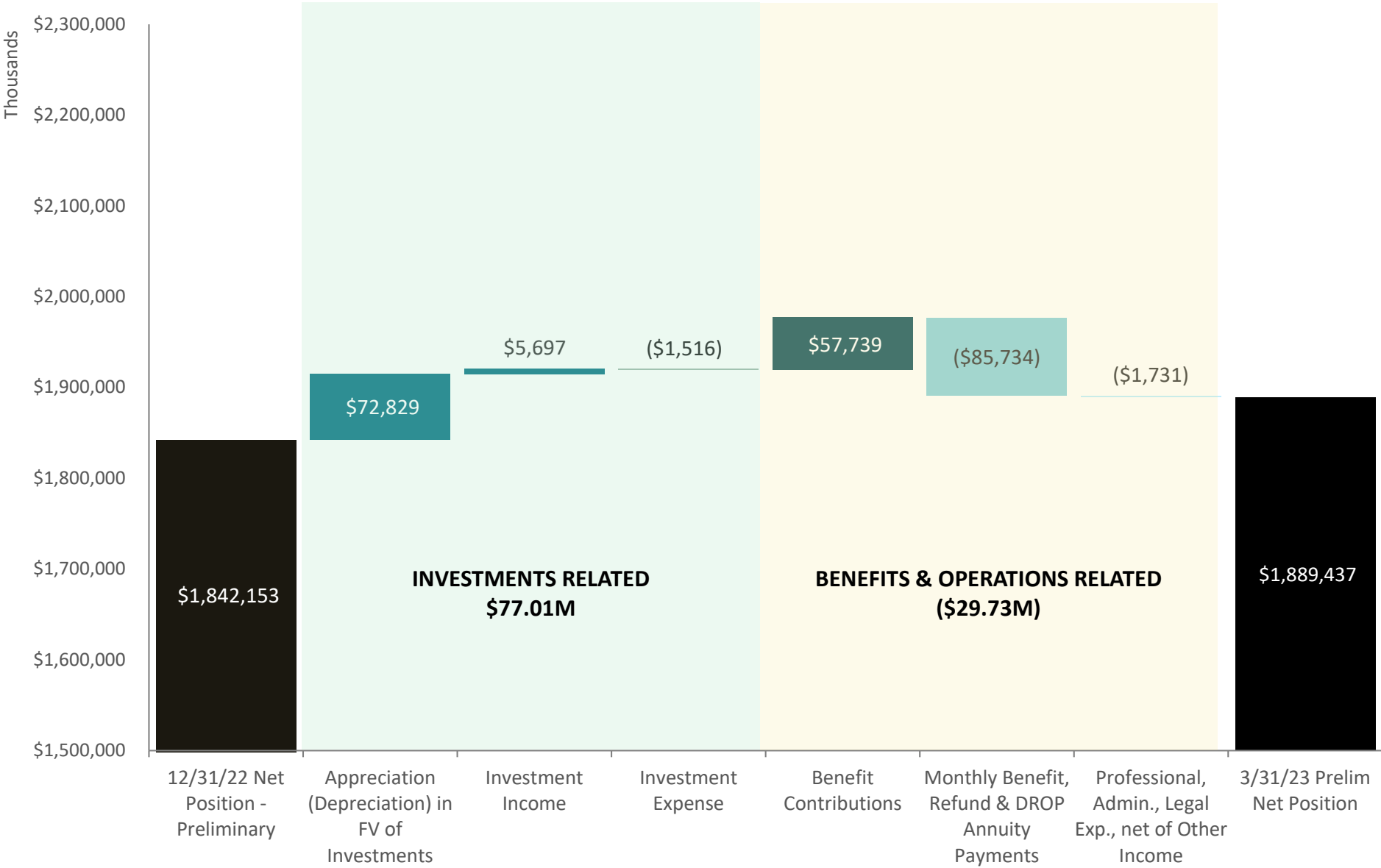
Topic: **Quarterly Financial Statements**

Discussion: The Chief Financial Officer will present the first quarter 2023 financial statements.

Supplemental Board Meeting – Thursday, May 11, 2023

Change in Net Fiduciary Position

PRELIMINARY - December 31, 2022 – March 31, 2023



Components may not sum exactly due to rounding.

DALLAS POLICE & FIRE PENSION SYSTEM
Combined Statements of Fiduciary Net Position

	<u>March 31, 2023</u>	<u>PRELIMINARY December 31, 2022</u>	<u>\$ Change</u>	<u>% Change</u>
Assets				
Investments, at fair value				
Short-term investments	\$ 15,158,973	\$ 14,890,840	\$ 268,133	2%
Fixed income securities	330,640,974	322,059,764	8,581,210	3%
Equity securities	905,784,916	826,996,060	78,788,856	10%
Real assets	316,838,815	346,681,874	(29,843,059)	-9%
Private equity	238,629,334	238,629,334	-	0%
Forward currency contracts	(1,217)	(970)	(247)	25%
Total investments	<u>1,807,051,795</u>	<u>1,749,256,902</u>	<u>57,794,893</u>	<u>3%</u>
Receivables				
City	1,409,348	5,140,929	(3,731,581)	-73%
Members	515,688	1,819,338	(1,303,650)	-72%
Interest and dividends	4,556,860	3,788,204	768,656	20%
Investment sales proceeds	2,344,769	1,152,406	1,192,363	103%
Other receivables	60,938	49,887	11,051	22%
Total receivables	<u>8,887,603</u>	<u>11,950,764</u>	<u>(3,063,161)</u>	<u>-26%</u>
Cash and cash equivalents	71,237,390	75,285,576	(4,048,186)	-5%
Prepaid expenses	674,472	403,166	271,306	67%
Capital assets, net	11,545,695	11,605,932	(60,237)	-1%
Total assets	<u>\$ 1,899,396,955</u>	<u>\$ 1,848,502,340</u>	<u>\$ 50,894,615</u>	<u>3%</u>
Liabilities				
Payables				
Securities purchased	4,359,534	1,138,945	3,220,589	283%
Accounts payable and other accrued liabilities	5,599,942	5,209,990	389,952	7%
Total liabilities	<u>9,959,476</u>	<u>6,348,935</u>	<u>3,610,541</u>	<u>57%</u>
Net position restricted for pension benefits	<u>\$ 1,889,437,479</u>	<u>\$ 1,842,153,405</u> *	<u>\$ 47,284,074</u>	<u>3%</u>

*The ending period amounts are preliminary and may change as the 2022 results are finalized.

DALLAS POLICE & FIRE PENSION SYSTEM
Combined Statements of Changes in Fiduciary Net Position

	Three Months Ended March 31, 2023	Three Months Ended March 31, 2022	\$ Change	% Change
Contributions				
City	\$ 42,316,896	\$ 41,851,683	\$ 465,213	1%
Members	15,421,728	14,643,915	777,813	5%
Total Contributions	57,738,624	56,495,598	1,243,026	2%
Investment income				
Net appreciation (depreciation) in fair value of investments	72,829,453	(94,334,522)	167,163,975	177%
Interest and dividends	5,696,968	6,499,760	(802,792)	-12%
Total gross investment income	78,526,421	(87,834,762)	166,361,183	189%
less: investment expense	(1,515,716)	(1,867,772)	352,056	19%
Net investment income	77,010,705	(89,702,534)	166,713,239	186%
Other income	59,767	56,826	2,941	5%
Total additions	134,809,096	(33,150,110)	167,959,206	507%
Deductions				
Benefits paid to members	84,415,206	82,697,147	1,718,059	2%
Refunds to members	1,318,628	1,051,222	267,406	25%
Legal expense	139,457	106,848	32,609	31%
Legal expense reimbursement	-	-	-	0%
Legal expense, net of reimbursement	139,457	106,848	32,609	31%
Staff Salaries and Benefits	980,093	907,868	72,225	8%
Professional and administrative expenses	671,638	609,926	61,712	10%
Total deductions	87,525,022	85,373,011	2,152,011	3%
Net increase (decrease) in net position	47,284,074	(118,523,121)		
Beginning of period	1,842,153,405	2,176,501,141		
End of period	\$ 1,889,437,479	\$ 2,057,978,020		