

Dallas Police and Fire Pension System
Thursday, February 11, 2021
8:30 a.m.
Via telephone conference

Regular meeting, William F. Quinn, Chairman, presiding:

ROLL CALL

Board Members

Present at 8:31 a.m. William F. Quinn, Nicholas A. Merrick, Armando Garza, Michael Brown, Kenneth Haben, Tina Hernandez Patterson, Steve Idoux, Mark Malveaux, Allen R. Vaught

Present at 8:45 a.m. Gilbert A. Garcia

Present at 10:16 a.m. Robert B. French

Absent: None

Staff Kelly Gottschalk, Josh Mond, Kent Custer, Brenda Barnes, John Holt, Damion Hervey, Cynthia Thomas, Ryan Wagner, Greg Irlbeck, Michael Yan, Milissa Romero

Others Dick Mullinax, Iva Giddiens, James Martinez, Bohdy Hedgcock, Kevin McCabe, Leandro Festino, Sidney Kawanguzi

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

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A. MOMENT OF SILENCE

The Board observed a moment of silence in memory of retired police officer Ronald D. Watts, Sidney Q. Grosvenor, Mark A. Taylor, W. E. Perry, Jr., Zachariah N. Garfield, James L. Lewis, Joseph A. Desonier, Lee A. Bush, George L. Purnell, and retired firefighters John W. Hudson, L. M. Loggins, Edwin L. Bateman, John C. Lamb, Glenn L. Moore, Robert Hernandez, Clayton M. Miller.

No motion was made.

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B. CONSENT AGENDA

1. Approval of Minutes

Regular meeting of January 14, 2021

- 2. Approval of Refunds of Contributions for the Month of January 2021**
- 3. Approval of Activity in the Deferred Retirement Option Plan (DROP) for February 2021**
- 4. Approval of Estate Settlements**
- 5. Approval of Survivor Benefits**
- 6. Approval of Service Retirements**
- 7. Spouse Wed After Retirement (SWAR)**

After discussion, Mr. Merrick made a motion to approve the minutes of the meeting of January 14, 2021. Mr. Haben seconded the motion, which was unanimously approved by the Board.

After discussion, Mr. Quinn made a motion to approve the remaining items on the Consent Agenda, subject to the final approval of the staff. Mr. Garza 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. Communication Plan

During the November 2020 Board meeting the Board directed the Executive Director to develop a communication plan related to funding issues. Dick Mullinax of FleishmanHillard presented a proposed communication plan to the Board.

After discussion, Mr. Malveaux made a motion to authorize staff to engage FleishmanHilliard to do preliminary communications work as outlined for the Board for an amount not to exceed \$20,000. Mr. Garcia seconded the motion, which was unanimously approved by the Board.

Mr. French was not present for the vote.

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2. Risk Insurance

Iva Giddiens, Area Managing Director and James Martinez, Fiduciary Liability Program Specialist, representatives of DFPF's insurance broker, Arthur J. Gallagher & Co. discussed the insurance market and the risk insurance renewal quotes. Staff reviewed the limits and costs of the various coverage level options for Cyber, Crime and Fiduciary. The Board concurred with staff's recommendation to consider reducing some of the excess layers of the Crime, increasing the Cyber and maintaining the Fiduciary insurance coverage levels.

No motion was made.

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3. Chairman's Discussion Items

Funding Committee Update

The Chairman briefed the Board with an update on the Funding Committee.

No motion was made

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4. Quarterly Financial Statements

The Chief Financial Officer presented the preliminary fourth quarter 2020 financial statements.

No motion was made.

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5. Peer Compensation Review Status

The Executive Director provided an update on the Peer Compensation Review.

After discussion, Ms. Hernandez Patterson made a motion to direct staff to work with its legislative consultants to pursue legislation which would enable the Board to elect to have System employees become members of the Texas Municipal Retirement System. Mr. Vaught seconded the motion, which was unanimously approved by the Board.

Mr. French was not present for the vote.

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6. Monthly Contribution Report

The Executive Director reviewed the Monthly Contribution Report.

No motion was made.

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7. Board Members' reports on meetings, seminars and/or conferences attended

- 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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8. 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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9. Investment Policy Statement Review

The Board provided feedback and guidance regarding the revisions to the Investment Policy Statement proposed by staff and Meketa.

No motion was made.

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10. Real Estate Overview – Clarion Partners Portfolio

Bohdy Hedgcock, and Kevin McCabe representatives of Clarion Partners updated the Board on the status and plans for DFPF’s investment in CCH Lamar.

The Board went into closed executive session at 10:49 a.m.

The meeting was reopened at 11:34 a.m.

No motion was made.

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11. Lone Star Investment Advisors Update

Investment Staff updated the Board on recent performance, operational, and administrative developments with respect to DFPF investments in funds managed by Lone Star Investment Advisors.

The Board went into closed executive session at 10:49 a.m.

The meeting was reopened at 11:34 a.m.

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 10:49 a.m.

The meeting was reopened at 11:34 a.m.

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 (February 2021)
 - TEXPERS Pension Observer
<http://online.anyflip.com/mxfu/yhmm/mobile/index.html>
- b. Open Records
- c. Staffing 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 Mr. Garza and a second by Mr. Vaught, the meeting was adjourned at 11:34 a.m.

/s/ William F. Quinn

William F. Quinn
Chairman

ATTEST:

/s/ Kelly Gottschalk

Kelly Gottschalk
Secretary