

Dallas Police and Fire Pension System
Thursday, December 14, 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 8:32 a.m. Nicholas Merrick, Tina Hernandez Patterson, Michael Taglienti, Michael Brown, Mark Malveaux, Nancy Rocha, Matthew Shomer, Marcus Smith, Tom Tull

By telephone Anthony Scavuzzo

Absent Steve Idoux

Staff

Kelly Gottschalk, Josh Mond, Brenda Barnes, Ryan Wagner, Christina Wu, Akshay Patel, John Holt, Nien Nguyen, Milissa Romero, Cynthia J. Thomas, Patricia Wiley, Aubrey Rosalez

Others

Jeff Williams, Leandro Festino, Aaron Lally, Kirk Wilson, David Elliston, Cara Mendelsohn

By telephone Caitlin Grice

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The meeting was called to order at 8:32 a.m.

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A. MOMENT OF SILENCE

The Board observed a moment of silence in memory of retired police officers Kenneth R. Johnson, Alfred M. Cessna, Robert P. Spence, Gregory J. Dugger, and retired firefighters Rhonda R. Westbrook, Guzman G. Natal, Franklin A. Dorough, Wilburn W. Sims, Richard K. Bramblitt, Raymond E. Sweeney, Robert W. Cole

No motion was made.

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B. APPROVAL OF MINUTES

1. Required Public meeting #2 of November 9, 2023
2. Regular meeting of November 9, 2023

After discussion, Mr. Taglienti made a motion to approve the minutes of the Required Public meeting #2 and the Regular meeting of November 9, 2023. Mr. Tull 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. January 1, 2023 Actuarial Valuation

Jeff Williams and Caitlin Grice of Segal Consulting, DFPF’s actuarial firm, discussed the results of the January 1, 2023 actuarial valuation report.

After discussion, Mr. Scavuzzo made a motion to approve issuance of the January 1, 2023 actuarial valuation report, subject to final review by the auditors (BDO) and review and approval by the Executive Director. Mr. Taglienti seconded the motion, which was unanimously approved by the Board.

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2. Contract for Financial Auditing Services

Staff discussed the contract for future auditing services, the Board’s policy to conduct a competitive selection process for certain services every five years unless the Board explicitly waives the requirement, and the history of retaining BDO USA, LLP.

After discussion, Mr. Scavuzzo made a motion to authorize the Executive Director to renew the contract with BDO USA, LLC and waived the requirement to conduct a competitive selection process through the 2025 audit year. Mr. Taglienti seconded the motion, which was unanimously approved by the Board.

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3. Financial Audit Status

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

No motion was made.

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4. Report on Professional Services Committee Meeting.

The Professional Services Committee Chair reported to the Board on its meeting with Chuck Campbell of Jackson Walker, LLP, DPFP's outside legal counsel. No issues of concern were raised by Mr. Campbell.

No motion was made.

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5. Executive Director Approved Pension Ministerial Actions

The Executive Director reported on the November pension ministerial actions.

No motion was made.

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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 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 investment-related travel scheduled.

After discussion, Mr. Smith made a motion to approve Ms. Rocha's and Mr. Taglienti's request to attend the TEXPERS Trustee Training and Annual Conference. Mr. Tull seconded the motion, which was unanimously approved by the Board.

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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. Public Equity Portfolio Review

Leandro Festino and Aaron Lally of Meketa Investment Group and the Investment staff provided an overview of DFPF public equity investments.

No motion was made.

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10. Third Quarter 2023 Investment Performance Analysis and Second Quarter 2023 Private Markets & Real Assets Review

Leandro Festino and Aaron Lally of Meketa Investment Group presented the Third Quarter 2023 Investment Performance Analysis and Second Quarter 2023 Private Markets & Real Assets reports.

No motion was made.

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11. Update on Activities involving Section 2.025 of Article 6243a-1

Staff briefed the Board on the status of the work related to Section 2.025 of Article 6243a-1.

No motion was made.

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12. Information Technology Security

The Board went into closed executive session – Security Devices or Security Audits at 10:59 a.m.

The meeting reopened at 12:04 p.m.

DPFP contracts with Levi, Ray & Shoup (LRS) to serve as a virtual Chief Information Security Officer. Kirk Wilson, Cyber Security Architect of Levi, Ray & Shoup briefed the Board on past and future cyber security efforts.

No motion was made.

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13. 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 – Legal at 10:59 a.m.

The meeting reopened at 12:04 p.m.

The Board and staff discussed legal issues.

No motion was made.

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14. Executive Director Performance Evaluation

The Board went into closed executive session at 10:59 a.m.

The meeting was reopened at 12:04 p.m.

The Board reviewed the Executive Director's performance and will provide recommendations concerning yearly objectives, goals, and performance at the January Board meeting.

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 (December 2023)
- TEXPERS Pension Observer (Vol. 4 2023)
<https://online.anyflip.com/mxfu/retw/mobile/index.html>

b. Open Records

c. Board Meeting 2024 Calendar

d. Staffing Update

e. Employee Service Awards

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. Brown and a second by Mr. Taglienti, the meeting was adjourned at 12:06 p.m.

/s/ Nicolas A. Merrick

Nicholas A. Merrick,
Chairman

ATTEST:

/s/ Kelly Gottschalk

Kelly Gottschalk
Secretary