

Dallas Police and Fire Pension System
Thursday, February 10, 2022
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 8:30 Nicholas A. Merrick, William F. Quinn, Armando Garza (by telephone), Michael Brown (by telephone), Gilbert A. Garcia (by telephone), Kenneth Haben, Tina Hernandez Patterson, Mark Malveaux (by telephone)

Present at 8:33 Steve Idoux

Absent: Robert B. French

Staff Kelly Gottschalk, Josh Mond, Brenda Barnes, Ryan Wagner, John Holt, Greg Irlbeck, Akshay Patel, Michael Yan, Milissa Romero, Cynthia Thomas (by telephone)

Others Chuck Campbell, Iva Giddings (by telephone), James Martinez (by telephone), Joseph Thompson

* * * * *

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

* * * * *

A. MOMENT OF SILENCE

The Board observed a moment of silence in memory of active police officer Christopher Gibson, retired police officers Richard V. Crosby, Larry L. Barbee, Ralph J. Carr, retired firefighters J. W. Hadaway, Gary A. Harper, Danny C. Beck, David Nunns, Gerry Friday, James M. Blackburn, W. G. Dyer, A. M. Harrell.

No motion was made.

* * * * *

**Regular Board Meeting
Thursday, February 10, 2022**

B. CONSENT AGENDA

1. Approval of Minutes

Regular meeting of January 13, 2022

2. Approval of Refunds of Contributions for the Month of January 2022

3. Approval of Activity in the Deferred Retirement Option Plan (DROP) for February 2022

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 Approval of Payment of Previously Withdrawn Contributions

After discussion, Mr. Haben made a motion to approve the minutes of the Regular meeting of January 13, 2022. Ms. Hernandez Patterson 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. Haben seconded the motion, which was unanimously approved by the Board.

* * * * *

C. DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR INDIVIDUAL CONSIDERATION

1. Communication Plan

The Communication Plan was postponed for a future Board meeting.

* * * * *

**Regular Board Meeting
Thursday, February 10, 2022**

2. Fiduciary Duties of Trustee

Chuck Campbell with Jackson Walker, fiduciary counsel for the Board, gave a presentation on the fiduciary duties of trustees.

No motion was made.

* * * * *

3. Trustee Terms

As required by the Trustee Election Procedures, staff presented the draft election schedule and notified the Board that the terms of the following Trustees expire on August 31, 2022:

- Robert French, Non-Member Trustee
- Gilbert Garcia, Non-Member Trustee
- Tina Hernandez Patterson, Non-Member Trustee
- William Quinn, Mayoral Appointee
- Michael Brown, Mayoral Appointee

After discussion, Mr. Idoux made a motion to adopt the draft 2022 Non-member Election schedule, subject to adjustment by the Nominations Committee provided the first election is completed prior to the August 2022 Board meeting and a subsequent election, if necessary, is completed prior to the September 2022 Board meeting. Ms. Hernandez Patterson seconded the motion, which was unanimously approved by the Board.

* * * * *

4. Monthly Contribution Report

The Executive Director reviewed the Monthly Contribution Report.

No motion was made.

* * * * *

**Regular Board Meeting
Thursday, February 10, 2022**

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 investment-related travel scheduled.

After discussion, Mr. Haben made a motion to approve Tina Hernandez Patterson to attend the TEXPERS Annual Conference. Mr. Quinn seconded the motion, which was unanimously approved by the Board.

* * * * *

6. Quarterly Financial Statements

The Chief Financial Officer presented the fourth quarter 2021 financial statements.

No motion was made.

* * * * *

7. Risk Insurance Renewal

Iva Giddings, Area Managing Director, and James Martinez, Fiduciary Liability Program Specialist, with Arthur J. Gallagher & Co., DFPF's insurance broker, discussed the insurance market and the risk renewal status. The Board directed staff to maintain the current level of fiduciary insurance coverage recognizing that the cost for this insurance was in excess of the budgeted amount.

* * * * *

8. 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, February 10, 2022

9. Investment Policy Amendments

Staff reviewed possible amendments to the Investment Policy Statement to add a 5% asset class concentration limit to any single issuer in both the Public Equity and Public Fixed Income portfolios. Each asset class will be treated separately for purposes of the 5% limit.

After discussion, Mr. Quinn made a motion to approve the revised Investment Policy Statement. Ms. Hernandez Patterson seconded the motion, which was unanimously approved by the Board.

* * * * *

10. Hardship Request

No discussion was held, and no motion was made regarding the Hardship Request.

* * * * *

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 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 10:38 a.m.

The meeting was reopened at 11:02 a.m.

The Board and staff discussed legal issues.

No motion was made.

* * * * *

**Regular Board Meeting
Thursday, February 10, 2022**

D. BRIEFING ITEMS

1. Public Comments

Prior to commencing items for Board discussion and deliberation, the Board received public comments during the open forum.

* * * * *

2. Executive Director's report

- a. Associations' newsletters
 - NCPERS Monitor (February 2022)
 - TEXPERS Pension Observer (Vol. 1 2022)
<http://online.anyflip.com/mxfu/kcff/mobile/index.html>
- b. Open Records
- c. CIO Recruitment

The Executive Director's report was presented.

* * * * *

Ms. Gottschalk stated that there was no further business to come before the Board. On a motion by Mr. Haben and a second by Ms. Hernandez Patterson, the meeting was adjourned at 11:03 a.m.

/s/ Nicholas A. Merrick

Nicholas A. Merrick
Chairman

ATTEST:

/s/ Kelly Gottschalk

Kelly Gottschalk
Secretary