



D A L L A S
POLICE & FIRE
PENSION SYSTEM



MINUTES SUMMARY
Board Meeting
Thursday, June 8, 2017

The regular meeting of the Dallas Police and Fire Pension System Board of Trustees was held at 8:30 a.m. on Thursday, June 8, 2017, in the Second Floor Board Room at 4100 Harry Hines Blvd., Dallas, Texas. Items of the following agenda were presented to the Board:

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 members and pensioners who recently passed away.

B. BOARD OF TRUSTEES

1. The Board welcomed newly-elected and re-elected Trustees, who completed the Oath of Office form for the term that began on June 1, 2017, and will end on August 31, 2017, as follows:

Police Trustee Place 1 (P-1)

Kenneth Haben

Fire Trustee Place 1 (F-1)

Samuel Friar

Police Pensioner Place 1

Kenneth Sprecher

Fire Pensioner Place 1

Larry D. Williams

2. The Board elected officers for the period from June 1, 2017 through August 31, 2017, as follows: Sam Friar, Chairman, Ken Haben, Vice-Chairman, and Joe Schutz, Deputy Vice-Chairman.
3. No action was taken regarding Signature Authorization Forms, since the previous officers were re-elected for the new term.
4. The Chairman appointed Larry Williams to the Audit Committee and the Governance Committee, leaving all other previous appointments unchanged. The Board approved the appointments.

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C. CONSENT AGENDA

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

D. DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR INDIVIDUAL CONSIDERATION

1. The Staff updated the Board on the status of the DPFPP plan legislation.
2. The Board adopted the proposed amendment to the DROP Policy Addendum.
3. The Board authorized Barings Real Estate Advisors and Hancock Agricultural Investment Management Group to consummate the sale of DPFPP's real estate interests in Napa County, CA, subject to the final approval of terms by the Executive Director.
4. The Board authorized Hearthstone to consummate the sale of the two lots in Eagle, Idaho, subject to the final approval of terms by the Executive Director.
5. Staff briefed the Board on the status of a possible sale of DPFPP's interest in the CDK Multifamily Fund.
6. The Board approved an initial investment of up to \$50 million to the Pacific Asset Management Bank Loan strategy within DPFPP's Bank Loans sub-asset allocation of the Fixed Income asset class, with authority to increase the investment as permitted by the Investment Policy Statement.
7. NEPC, DPFPP's investment consultant, presented the First Quarter 2017 Investment Performance Analysis and the Fourth Quarter 2016 Private Markets & Real Assets Review.
8. The Board provided direction to the staff regarding how to address the City's continuing failure to make the required pension contributions for military service time buy-back under the USERRA federal law.
9. The Board and legal counsel discussed legal issues.
10. The Board and staff reviewed the investment reports.
11. Staff updated the Board on the status and findings to date related to the 2016 financial statement audit.

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- 12.** Staff briefed the Board regarding members who may be able to reach 20 years of service as of September 1, 2017, if they buy service which is available for repurchase. Staff will reach out to these potentially affected members individually to advise them of the situation.
- 13.** The Board approved the Education and Travel Policy and Procedure as amended.
- 14.** Staff briefed the Board regarding future Board education and travel. The Board voted not to approve any further Board education and travel expenditures through August 31, 2017.
- 15.** Board members reported on meetings and seminars attended.
- 16.** There were no Unforeseeable Emergency Requests from DROP members requiring Board action.
- 17.** The Chairman, Executive Director and outside counsel briefed the Board on Executive Staff Employment Agreements. An amendment to the Executive Director's agreement was approved by the Board.
- 18.** The Board approved the proposed increase in the budget for salaries and benefits for 2017.
- 19.** Regarding the loan with Bank of America, the Board granted the Executive Director the discretion to pay off the loan.

E. BRIEFING ITEMS

The Board heard member and pensioner comments.

The regular Board meeting was adjourned at 3:16 p.m.

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SUPPLEMENTAL POLICE AND FIRE PENSION BOARD MEETING

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

The meeting was reconvened at 3:17 p.m.

A. CONSENT AGENDA

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

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

The Board and staff reviewed the investment reports.

The Supplemental Board meeting was adjourned at 3:17 p.m.