

AGENDA



Date: May 7, 2021

The regular meeting of the Dallas Police and Fire Pension System Board of Trustees will be held at **8:30 a.m. on Thursday, May 13, 2021, 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/88627001471?pwd=L0ZVNnJkeVBUUGVERG9yVSs5NnFkZz09> Passcode: 479945.** Items of the following agenda will be presented to the Board:

A. CONSENT AGENDA

1. Approval of Minutes

Regular meeting of April 8, 2021

2. Approval of Service Retirements

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 8, 2021
8:30 a.m.
Via telephone conference**

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

ROLL CALL

Board Members

Present at 8:30 a.m. William F. Quinn, Nicholas A. Merrick, Armando Garza, Michael Brown, Robert B. French, Gilbert A. Garcia, Kenneth Haben, Tina Hernandez Patterson, Steve Idoux, Mark Malveaux, Allen R. Vaught

Absent: None

Staff

Kelly Gottschalk, Josh Mond, Kent Custer, Brenda Barnes, John Holt, Cynthia Thomas, Ryan Wagner, Greg Irlbeck, Milissa Romero

Others

None

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

The meeting was reconvened at 11:28 a.m.

Mr. Merrick and Mr. Garcia were not present when the supplemental meeting reconvened.

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CONSENT AGENDA

Approval of Minutes

Regular meeting of March 11, 2021

After discussion, Mr. Garza made a motion to approve the minutes of the meeting of March 11, 2021. Mr. Haben seconded the motion, which was unanimously approved by the Board.

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**Supplemental Board Meeting
Thursday, April 8, 2021**

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Ms. Gottschalk stated that there was no further business to come before the Board. On a motion by Mr. Quinn and a second by Mr. Garza, the meeting was adjourned at 11:29 a.m.

William F. Quinn
Chairman

ATTEST:

Kelly Gottschalk
Secretary

DRAFT



DISCUSSION SHEET

Supplemental

ITEM B

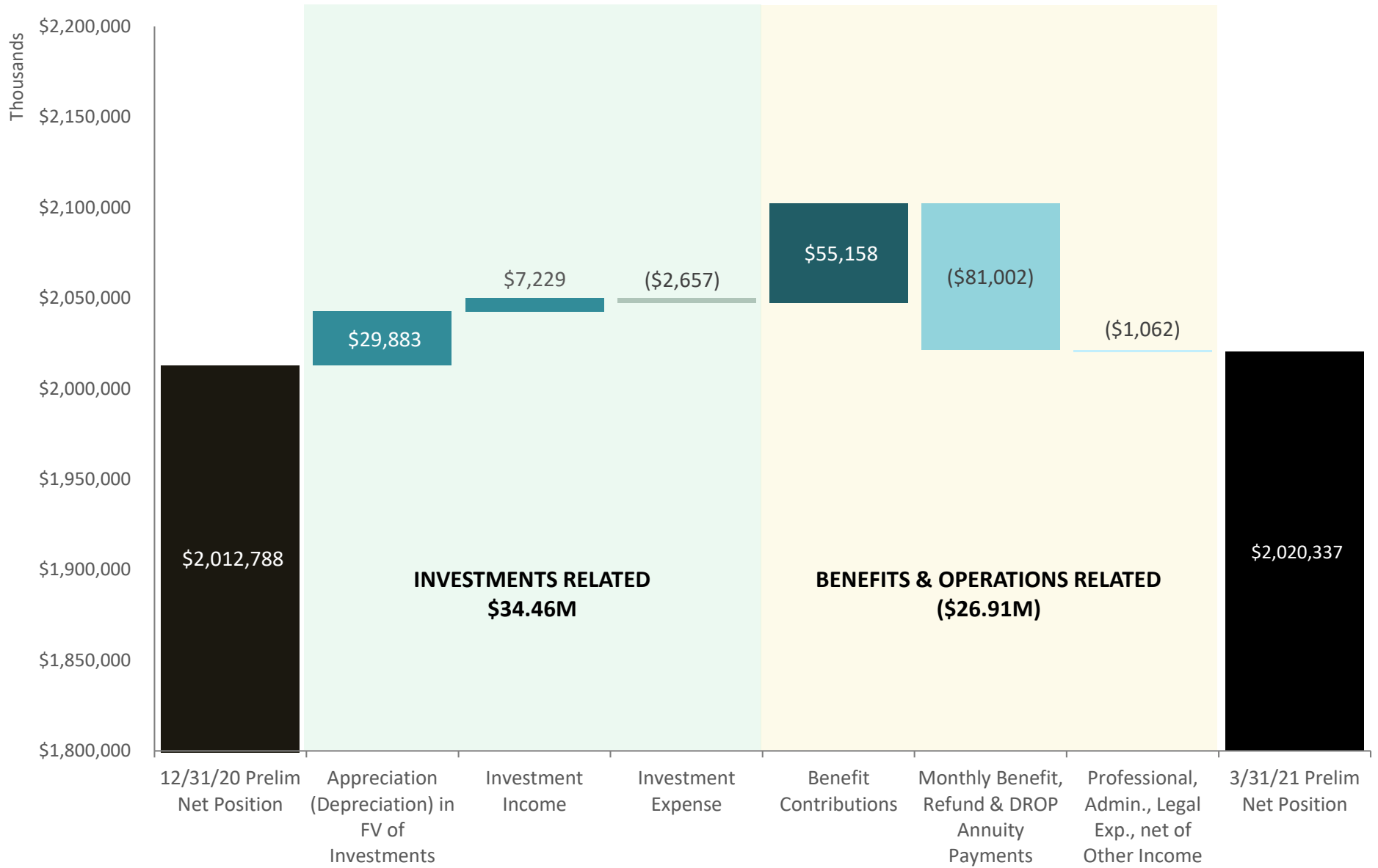
Topic: **Quarterly Financial Reports**

Discussion: The Chief Financial Officer will present the first quarter 2021 financial statements.

Supplemental Board Meeting – Thursday, May 13, 2021

Change in Net Fiduciary Position

PRELIMINARY - December 31, 2020 – March 31, 2021



Components may not sum exactly due to rounding.

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

	March 31, 2021	PRELIMINARY December 31, 2020 (unaudited)	\$ Change	% Change
Assets				
Investments, at fair value (NOTE)				
Short-term investments	\$ 17,209,556	\$ 20,430,187	\$ (3,220,631)	-16%
Fixed income securities	471,132,951	472,487,992	(1,355,041)	0%
Equity securities	756,005,704	700,767,440	55,238,264	8%
Real assets	479,964,128	518,797,567	(38,833,439)	-7%
Private equity	197,111,899	197,572,780	(460,881)	0%
Forward currency contracts	13,003	(296,918)	309,921	-104%
Total investments (NOTE)	1,921,437,241	1,909,759,048	11,678,193	1%
Receivables				
City	6,833,049	4,032,755	2,800,294	69%
Members	2,391,179	1,445,883	945,296	65%
Interest and dividends	4,360,878	3,782,403	578,475	15%
Investment sales proceeds	13,828,417	9,296,619	4,531,798	49%
Other receivables	166,452	193,111	(26,659)	-14%
Total receivables	27,579,975	18,750,771	8,829,204	47%
Cash and cash equivalents	93,291,667	88,491,051	4,800,616	5%
Prepaid expenses	809,213	544,957	264,256	48%
Capital assets, net	12,027,589	12,087,827	(60,238)	0%
Total assets	\$ 2,055,145,685	\$ 2,029,633,654	\$ 25,512,031	1%
Liabilities				
Payables				
Securities purchased	30,509,817	11,783,719	18,726,098	159%
Accounts payable and other accrued liabilities	4,298,994	5,062,394	(763,400)	-15%
Total liabilities	34,808,811	16,846,113	17,962,698	107%
Net position				
Net investment in capital assets	12,027,589	12,087,827	(60,238)	0%
Unrestricted	2,008,309,284	2,000,699,714	7,609,570	0%
Net position held in trust - restricted for pension benefits	\$ 2,020,336,873	\$ 2,012,787,541	\$ 7,549,332	0%

(NOTE) Private asset values have not yet been reported for Q4 20. Values will be updated as final reporting is received.

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

	<u>3 Months Ended</u> <u>3/31/2021</u>	<u>3 Months Ended</u> <u>3/31/2020</u>	<u>\$ Change</u>	<u>% Change</u>
Contributions				
City	\$ 40,781,537	\$ 40,201,428	\$ 580,109	1%
Members	14,376,663	13,825,495	551,168	4%
Total Contributions	<u>55,158,200</u>	<u>54,026,923</u>	1,131,277	2%
Investment income				
Net appreciation (depreciation) in fair value of investments	29,882,560	(160,907,926)	190,790,486	-119%
Interest and dividends	<u>7,229,477</u>	<u>8,335,128</u>	(1,105,651)	-13%
Total gross investment income	37,112,037	(152,572,798)	189,684,835	-124%
less: investment expense	<u>(2,656,604)</u>	<u>(1,576,521)</u>	(1,080,083)	-69%
Net investment income	34,455,433	(154,149,319)	188,604,752	-122%
Securities lending income				
Securities lending income	-	53,028	(53,028)	-100%
Securities lending expense	-	<u>(43,440)</u>	43,440	-100%
Net securities lending income	-	9,588	(9,588)	-100%
Other income	87,068	88,503	(1,435)	-2%
Total additions	<u>89,700,701</u>	<u>(100,024,305)</u>	189,725,006	-190%
Deductions				
Benefits paid to members	80,254,243	79,471,578	782,665	1%
Refunds to members	747,572	652,639	94,933	15%
Legal expense	(462,798)	85,806	(548,604)	-639%
Legal expense reimbursement	<u>469,248</u>	-	469,248	0%
Legal expense, net of reimbursement	6,450	85,806	(79,356)	-92%
Staff Salaries and Benefits	976,394	936,628	39,766	4%
Professional and administrative expenses	<u>635,958</u>	<u>568,909</u>	67,049	12%
Total deductions	<u>82,151,369</u>	<u>81,715,560</u>	435,809	1%
Net increase (decrease) in net position	<u>7,549,332</u>	<u>(181,739,865)</u>		
Beginning of period	2,012,787,541	2,075,164,750		
End of period	<u>\$ 2,020,336,873</u>	<u>\$ 1,893,424,885</u>		

