

Dallas Police and Fire Pension System
Thursday, August 13, 2020
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, Joseph P. Schutz, Susan M. Byrne, Robert B. French, Steve Idoux, Gilbert A. Garcia, Mark Malveaux, Armando Garza, Allen R. Vaught, Tina Hernandez Patterson

Absent: None

Staff

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

Others

Robert Jones, Leandro Festino

* * * * *

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

* * * * *

A. MOMENT OF SILENCE

The Board observed a moment of silence in memory of retired police officers Thomas B. McKee, Gilbert A. Kelley, Jr., Ronald D. Bridges, Roy B. Brooks, Joe A. Walden, and retired firefighters James E. Carlin, Steven B. Wise, Charles E. Gibbs.

No motion was made.

* * * * *

**Regular Board Meeting
Thursday, August 13, 2020**

B. CONSENT AGENDA

1. Approval of Minutes

Regular meeting of July 9, 2020

2. Approval of Refunds of Contributions for the Month of July 2020

3. Approval of Activity in the Deferred Retirement Option Plan (DROP) for August 2020

4. Approval of Estate Settlements

5. Approval of Survivor Benefits

6. Approval of Service Retirements

7. Approval of Payment of Military Leave Contributions

After discussion, Mr. Quinn made a motion to approve the minutes of the regular meeting of July 9, 2020. Mr. Garcia 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. Ms. Byrne seconded the motion, which was unanimously approved by the Board.

* * * * *

C. DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR INDIVIDUAL CONSIDERATION

1. Monthly Contribution Report

The Executive Director reviewed the Monthly Contribution Report.

No motion was made.

* * * * *

**Regular Board Meeting
Thursday, August 13, 2020**

2. 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 Trustee business-related travel or investment-related travel scheduled.

No motion was made.

* * * * *

3. Financial Audit Status

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

No motion was made.

* * * * *

4. Quarterly Financial Reports

The Chief Financial Officer presented the second quarter 2020 financial statements.

No motion was made.

* * * * *

5. 2020 Mid-Year Budget Review

The Chief Financial Officer reviewed the 2020 Operating Expense Budget detailing expenses for the first six months of the calendar year.

No motion was made.

* * * * *

6. Report on Audit Committee

The Audit Committee met with representatives of BDO on July 9, 2020. The Committee Chair commented on the Committee observations and advice.

No motion was made.

**Regular Board Meeting
Thursday, August 13, 2020**

* * * * *

7. Portfolio Update

Investment staff briefed the Board on recent events and current developments with respect to the investment portfolio.

No motion was made.

* * * * *

8. Securities Lending

Investment staff discussed an updated analysis of the securities lending program. The program has failed to achieve expected income levels and staff believes that the modest income is not sufficient to warrant expending monitoring resources or incurring the limited risk related to reinvestment of cash collateral. Meketa concurs with this recommendation.

After discussion, Mr. Quinn made a motion to approve the suspension of the securities lending program. Ms. Hernandez Patterson seconded the motion, which was unanimously approved by the Board.

* * * * *

9. Private Equity and Debt Portfolio Review

Investment Staff provided an overview of DFPF investments in private equity and private debt.

No motion was made.

* * * * *

10. 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 10:06 a.m.

The meeting was reopened at 10:18 a.m.

No motion was made.

**Regular Board Meeting
Thursday, August 13, 2020**

* * * * *

- 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 10:06 a.m.

The meeting was reopened at 10:18 a.m.

Mr. Malveaux recused himself during the discussion of pending litigation against the City of Dallas involving claims under USERRA.

No motion was made.

* * * * *

- 12. Chairman's Discussion Items**

Thank Outgoing Trustees

The Chairman thanked the outgoing Trustees for their service. A number of other trustees voiced their thanks as well including their thanks for the Chairman and the work he had done during his tenure.

No motion was made.

* * * * *

- 13. DFPF Office and Board Procedural Response to COVID-19**

The Executive Director provided an update about DFPF's COVID-19 office response and discussed Board procedures for upcoming meetings.

No motion was made.

* * * * *

**Regular Board Meeting
Thursday, August 13, 2020**

D. BRIEFING ITEMS

1. Public Comment

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 (August 2020)
 - NCPERS PERSist (Summer 2020)
 - TEXPERS Pension Observer

<http://online.anyflip.com/mxfu/vumv/mobile/index.html>
- b. Open Records

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. Quinn and a second by Ms. Byrne, the meeting was adjourned at 10:18 a.m.

/s/ William F. Quinn

William F. Quinn
Chairman

ATTEST:

/s/ Kelly Gottschalk

Kelly Gottschalk
Secretary