

AGENDA



Date: January 10, 2025

The regular meeting of the Dallas Police and Fire Pension System Board of Trustees will be held at **8:30 a.m. on Thursday, January 16, 2025, in the Second Floor Board Room at 4100 Harry Hines Boulevard, Dallas, Texas and 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/83364156526?pwd=OG5CbEFhajN5V0hWaUFJMLhYcHQ2Zz09> Passcode: 923237.** Items of the following agenda will be presented to the Board:

A. MOMENT OF SILENCE

B. APPROVAL OF MINUTES

Regular meeting of December 12, 2024

C. DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR INDIVIDUAL CONSIDERATION

- 1. Executive Director Approved Pension Ministerial Actions**
- 2. City Contribution Update**
- 3. Board approval of Trustee education and travel**
 - a. Future Education and Business-related Travel
 - b. Future Investment-related Travel
- 4. Portfolio Update**
- 5. Hardship Request - 2024-1H**
- 6. Legislative Update**

Portions of the discussion under this topic may be closed to the public under the terms of Section 551.071 of the Texas Government Code.

- 7. Lone Star Investment Advisors**

Portions of the discussion under this topic may be closed to the public under the terms of Section 551.071 of the Texas Government Code.

8. 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.

9. Executive Director Performance Evaluation

Portions of the discussion under this topic may be closed to the public under the terms of Section 551.074 of the Texas Government Code.

D. BRIEFING ITEMS

1. Public Comment

2. Executive Director's Report

a. Associations' newsletters

- NCPERS Monitor (January 2025)

b. Open Records

The term "possible action" in the wording of any Agenda item contained herein serves as notice that the Board may, as permitted by the 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, Section 551.076 for deliberation regarding security devices or security audits, and Section 551.078 for review of medical records.



MOMENT OF SILENCE

In memory of our Members and Pensioners who recently passed away

NAME	ACTIVE/ RETIRED	DEPARTMENT	DATE OF DEATH
Kenneth R. White	Retired	Police	Dec. 01, 2024
Donald L. Stevens	Retired	Fire	Dec. 04, 2024
Arnold Brown	Retired	Police	Dec. 12, 2024
James P. Wood	Retired	Fire	Dec. 12, 2024
Victor Woodberry	Retired	Police	Dec. 14, 2024
Philip R. Ruzicka	Retired	Fire	Dec. 15, 2024
Wayne V. Roberts	Retired	Fire	Dec. 15, 2024
Gregory A. Williams	Retired	Police	Dec. 18, 2024
Ernie D. Richards	Retired	Fire	Dec. 18, 2024
Freddie B. Caviness	Retired	Fire	Dec. 24, 2024
Charles L. Tubbs	Retired	Police	Dec. 24, 2024
Wilbur T. Hogan	Retired	Police	Dec. 26, 2024
James W. Barnwell	Retired	Police	Dec. 26, 2024

Regular Board Meeting –Thursday, January 16, 2025

**Dallas Police and Fire Pension System
Thursday, December 12, 2024
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 8:38 a.m. Nicholas Merrick, Tina Hernandez Patterson, Michael Taglienti, Tom Tull, Matthew Shomer, Marcus Smith, Mark Malveaux

By telephone at 8:38 a.m. Steve Idoux, Nancy Rocha

Absent Michael Brown, Anthony Scavuzzo

Staff

Kelly Gottschalk, Josh Mond, Brenda Barnes, Ryan Wagner, Christina Wu, Akshay Patel, Kyle Schmit, John Holt, Nien Nguyen, Milissa Romero, Cynthia Thomas, Bill Scoggins (by phone)

Others

Ben Mesches, David Harper

By telephone Ron Pastore, Mark Morrison, Sara Cassidy, Leandro Festino, Colin Kowalski, Ken Haben

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The meeting was called to order at 8:38 a.m.

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A. MOMENT OF SILENCE

The Board observed a moment of silence in memory of retired police officers J.D. Dukes, Rickey B. Upshaw, Jackie E. Clower, Michael S. Hornik, and retired firefighters Robert H. Palmer, Allen E. Wilbon, George W. Hensley.

No motion was made.

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**Regular Board Meeting
Thursday, December 12, 2024**

B. APPROVAL OF MINUTES

Regular meeting of November 14, 2024

After discussion, Mr. Taglienti made a motion to approve the minutes of the Regular meeting of November 14, 2024. 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. Section 2.025 Funding Process Update

The Executive Director provided an update on the Section 2.025 funding process.

No motion was made.

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2. Report on Professional Services Provider Meeting

The Professional Service Committee met with DFPF’s outside legal counsel, Chuck Campbell of Jackson Walker, LLP on December 6, 2024. The Committee Chair reported to the Board that Mr. Campbell made positive remarks and had no issues or concerns regarding the staff.

No motion was made.

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3. Executive Director Approved Pension Ministerial Actions

The Executive Director reported on the November pension ministerial actions.

No motion was made.

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4. Monthly Contribution Report

The Executive Director reviewed the Monthly Contribution Report.

No motion was made.

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**Regular Board Meeting
Thursday, December 12, 2024**

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

No motion was made.

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6. 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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7. Investment Advisory Committee Appointments

The Investment Advisory Committee (IAC) terms of five members expire on December 31, 2024. The Investment Policy stipulates that members of the Investment Advisory Committee shall serve two-year terms (Sec. 5.B.1.d). IAC members can be reappointed with no term limits.

After discussion, Mr. Taglienti made a motion to reappoint IAC members, Michael Brown, Tina Hernandez Patterson, Luke Gittemeier, Robert Jones and Jamil McNeal to serve on the Investment Advisory Committee for two-year terms ending December 31, 2026. Mr. Smith seconded the motion, which was unanimously approved by the Board.

	Investment Advisory Committee (IAC)	Terms Expire
Board Member #1	Tom Tull, Chair	09/14/2025
Board Member #2	Michael Brown	12/31/2026
Board Member #3	Nancy Rocha	12/31/2025
Board Member #4	Tina Hernandez Patterson	12/31/2026
External #1	Ryan Bailey	12/31/2025
External #2	Rakesh Dahiya	12/31/2025
External #3	Luke Gittemeier	12/31/2026
External #4	Ken Haben	09/14/2025
External #5	Robert Jones	12/31/2026
External #6	Jamil McNeal	12/31/2026

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**Regular Board Meeting
Thursday, December 12, 2024**

8. Third Quarter 2024 Investment Performance Analysis and Second Quarter 2024 Private Markets & Real Assets Review

Leandro Festino, Managing Principal and Collin Kowalski, Investment Analyst reviewed the Third Quarter 2024 Investment Performance Analysis and Second Quarter 2024 Private Markets & Real Assets Review reports.

No motion was made.

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9. AEW Capital Management Update

Ron Pastore, Senior Portfolio Manager, Mark Morrison, Portfolio Manager and Sara Cassidy, Head of Portfolio Management of AEW Capital Management (AEW) updated the Board on the portfolio management team overseeing DFPF's investment.

No motion was made.

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10. Lone Star Investment Advisors

The Board went into closed executive session – Legal at 9:37 a.m.

The meeting reopened at 11:10 a.m.

Investment staff updated the Board on investments managed by Lone Star Investment Advisors.

No motion was made.

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11. Closed Session – Board serving as Medical Committee

Application for death benefits for disabled child 2024-2C

The Board went into closed executive session – Medical at 9:37 a.m.

The meeting reopened at 11:10 a.m.

The Board and staff discussed the application for death benefits for disabled child 2024-2C and will bring back for the Board's consideration at a future Board meeting.

No motion was made.

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**Regular Board Meeting
Thursday, December 12, 2024**

12. Hardship Requests

- a. 2024-2H
- b. 2024-1H

The Board went into closed executive session – Medical at 9:37 a.m.

The meeting reopened at 11:10 a.m.

- a. After discussion, Mr. Taglienti made a motion to approve the dental expenses in excess of insurance coverage based on the available documents for hardship 2024-2H. Mr. Smith seconded the motion, which was unanimously approved by the Board.

Mr. Idoux left the meeting at 11:03 a.m. and was not present for the vote.

- b. No discussion was held, and no motion was made regarding the hardship request 2024-1H.

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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 9:37 a.m.

The meeting reopened at 11:10 a.m.

The Board and staff discussed legal issues.

Mr. Malveaux recused himself during the discussion of the lawsuit with the City of Dallas.

No motion was made.

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**Regular Board Meeting
Thursday, December 12, 2024**

14. Executive Director Performance Evaluation

The Board went into closed executive session – Personnel Matters at 9:37 a.m.

The meeting reopened at 11:10 a.m.

After discussion, Mr. Malveaux made the following motion:

As the Board believes it is necessary to provide security for certain employees in the performance of their duties the Board hereby establishes a policy to provide such security for select employees and authorizes the Chairman to execute agreements providing such security for the benefit of the Executive Director and Deputy Executive Director such agreements to be binding on the current and future Boards.

Ms. Hernandez Patterson seconded the motion, which was unanimously approved by the Board.

Mr. Idoux was not present for the vote.

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15. Recognition of Outgoing Trustee

Staff and the Board thanked Mr. Malveaux for his service to the Board and the members.

No motion was made.

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D. BRIEFING ITEMS

1. Public Comment

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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**Regular Board Meeting
Thursday, December 12, 2024**

2. Executive Director's Report

- a. Associations' newsletters
 - NCPERS Monitor (December 2024)
 - [TEXPERS Pension Observer Vols 3/4 2024](#)
- b. Open Records
- c. 2025 Board Meeting Schedule

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. Taglienti and a second by Mr. Shomer, the meeting was adjourned at 11:13 a.m.

Nicholas A. Merrick,
Chairman

ATTEST:

Kelly Gottschalk,
Secretary

**Regular Board Meeting
Thursday, December 12, 2024**

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DISCUSSION SHEET

ITEM #C1

Topic: Executive Director Approved Pension Ministerial Actions

Discussion: The Executive Director approved ministerial membership actions according to the Retirement and Payments Approval Policy. Membership actions approved are summarized in the provided report.

Regular Board Meeting – Thursday, January 16, 2025

Membership Actions -2025

	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
Refunds	38												38
DROP - Join	2												2
Estate Payments	6												6
Survivor Benefits	4												4
Retirements	7												7
Alternate Payees	0												0
Spouse Wed After Retirement	0												0
Service Purchases	1												1
Earnings Test	0												0

Membership Actions -2024

	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
Refunds	23	22	21	26	16	21	13	19	37	18	20	32	268
DROP - Join	1	1	2	0	5	1	1	1	0	1	0	0	13
Estate Payments	2	1	3	5	3	1	4	5	10	7	7	9	57
Survivor Benefits	4	6	3	8	5	4	6	5	3	4	5	3	56
Retirements	10	10	16	9	13	10	9	11	7	5	8	6	114
Alternate Payees	2	0	2	1	1	1	0	0	0	1	0	0	8
Spouse Wed After Retirement	0	0	0	0	0	0	0	0	1	0	0	0	1
Service Purchases	0	2	0	1	7	2	1	2	1	2	5	1	24
Earnings Test*	0	0	0	0	0	0	10	0	0	0	0	0	10

Membership Actions -2023

	January	February	March	April	May	June	July	August	September	October	November	December	YTD Totals
Refunds	26	19	12	13	17	14	23	13	57	53	18	21	286
DROP - Join	3	3	0	2	2	2	0	0	3	0	3	0	18
Estate Payments	0	5	7	5	1	2	4	92	5	3	5	9	138
Survivor Benefits	1	6	8	6	4	3	5	6	6	2	3	6	56
Retirements	12	16	11	14	11	12	10	13	10	17	6	12	144
Alternate Payees	0	2	1	0	2	3	1	3	2	0	0	1	15
Spouse Wed After Retirement	1	0	0	0	0	0	0	0	1	1	1	0	4
Service Purchases	2	0	0	1	0	2	0	1	0	0	2	0	8
Earnings Test	0	0	0	0	0	9	0	0	0	0	0	0	9

Data is based on Agenda/Executive Approval Date

Service purchases include Military, DROP Revocation, and Previously Withdrawn Contributions

The increase in Refunds in September 2023 and October 2023 is due to the Refund Project

87 of the Estate Payments in August 2023 are approvals for the Pending Death Project



DISCUSSION SHEET

ITEM #C2

Topic: City Contribution Update

Discussion: Staff will provide an update on the amount of City Contributions received and any shortage since October 1, 2024.

Regular Board Meeting – Thursday, January 16, 2025



DISCUSSION SHEET

ITEM #C3

Topic: Board Approval of Trustee Education and Travel

- a. Future Education and Business-related Travel
- b. Future Investment-related Travel

Discussion:

- a. Per the Education and Travel Policy and Procedure, planned Trustee education and business-related travel and education which does not involve travel requires Board approval prior to attendance.

Attached is a listing of requested future education and travel noting approval status.

- b. Per the Investment Policy Statement, planned Trustee travel related to investment monitoring, and in exceptional cases due diligence, requires Board approval prior to attendance.

There is no future investment-related travel for Trustees at this time.

Regular Board Meeting – Thursday, January 16, 2025

**Future Education and Business Related Travel & Webinars
Regular Board Meeting – January 16, 2025**

REQUESTED APPROVED

- | | |
|----|---|
| 1. | <p>Conference NCPERS Pension Communications Summit
 Dates: January 26-27, 2025
 Location: Washington, DC
 Est Cost: \$500</p> |
| 2. | <p>Conference: NCPERS Legislative Conference
 Dates: January 27-29, 2025
 Location: Washington, DC
 Est Cost: \$650</p> |
| 3. | <p>Conference: TEXPERS Legislative Advocacy Workshop
 Dates: February 4-5, 2025
 Location: Austin, TX
 Est Cost: \$125</p> |
| 4. | <p>Conference: TEXPERS 2025 Annual Conference
 Dates: March 31-April 2, 2025
 Location: Austin, TX
 Est Cost: TBD</p> |
| 5. | <p>Conference NCPERS Accredited Fiduciary Program (NAF)
 Dates: May 17-18, 2025
 Location: Denver, CO
 Est Cost: \$900</p> |

**Future Education and Business Related Travel & Webinars
Regular Board Meeting – January 16, 2025**

REQUESTED APPROVED

- | | | |
|-----------|--------------------|--|
| 6. | Conference | NCPERS Trustee Educational Seminar (TEDS) |
| | Dates: | May 17-18, 2025 |
| | Location: | Denver, CO |
| | Est Cost: | \$500 |
| | | |
| 7. | Conference | NCPERS Annual Conference & Exhibition (ACE) |
| | Dates: | May 18-21, 2025 |
| | Location: | Denver, CO |
| | Est Cost: | \$1,100 |
| | | |
| 8. | Conference: | NCPERS Chief Officers Summit |
| | Dates: | June 16-18, 2025 |
| | Location: | New York City, NY |
| | Est Cost: | \$1,000 |
| | | |
| 9. | Conference: | TEXPERS 2025 Summer Forum |
| | Dates: | August 4-5, 2025 |
| | Location: | El Paso, TX |
| | Est Cost: | TBD |



DISCUSSION SHEET

ITEM #C4

Topic: Portfolio Update

Discussion: Investment Staff will brief the Board on recent events and current developments with respect to the investment portfolio.

Regular Board Meeting – Thursday, January 16, 2025



DISCUSSION SHEET

ITEM #C5

Topic: **Hardship Request - 2024-1H**

Discussion: Article 6243a-1 Section 6.14(e-3)(2) allows a lump-sum distribution from the DROP account in the event of a financial hardship that is not reasonably foreseeable. Section 6.14(e-4) required the Board to adopt rules related to hardship distributions. The Board's rules are contained in Section G of the DROP Policy.

A DROP Annuitant submitted an application for a lump sum distribution from the DROP balance in accordance with the DROP policy. The DROP Policy requires that:

- a. severe financial hardship exists at the time of the application (i.e., not one that may occur sometime in the future);
- b. the hardship cannot be relieved through any other financial means (i.e., compensation from insurance or other sources, monthly annuity benefits, or liquidation of personal assets) unless using those other sources would also cause a financial hardship; and

Regular Board Meeting – Thursday, January 16, 2025

DISCUSSION SHEET

ITEM #C5 (continued)

- c. the amount requested in the application is reasonably related to and no greater than necessary to relieve the financial hardship.
- d. the hardship must relate to a circumstance authorized by the Board Policy or other similar extraordinary circumstances.

Staff

Recommendation: To be **provided** at the meeting.

Regular Board Meeting – Thursday, January 16, 2025



DISCUSSION SHEET

ITEM #C6

Topic: Legislative Update

Portions of the discussion under this topic may be closed to the public under the terms of Section 551.071 of the Texas Government Code.

Discussion: Staff will brief the Board on pension bills that have been filed which may bear on DFPF.

Regular Board Meeting – Thursday, January 16, 2025



DISCUSSION SHEET

ITEM #C7

Topic: Lone Star Investment Advisors

Portions of the discussion under this topic may be closed to the public under the terms of Section 551.071 of the Texas Government Code.

Discussion: Investment staff will update the Board on investments with this manager.

Regular Board Meeting – Thursday, January 16, 2025



DISCUSSION SHEET

ITEM #C9

Topic: 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.

Discussion: Counsel will brief the Board on these issues.

Regular Board Meeting – Thursday, January 16, 2025



DISCUSSION SHEET

ITEM #C8

Topic: **Executive Director Performance Evaluation**

Portions of the discussion under this topic may be closed to the public under the terms of Section 551.074 of the Texas Government Code.

Discussion: The Board will meet with the Executive Director to review performance and provide recommendations concerning yearly objectives, goals, and performance.

Regular Board Meeting – Thursday, January 16, 2025



DISCUSSION SHEET

ITEM #D1

Topic: Public Comment

Discussion: Comments from the public will be received by the Board.

Regular Board Meeting – Thursday, January 16, 2025



DISCUSSION SHEET

ITEM #D2

Topic: Executive Director's Report

- a. Associations' newsletters
 - NCPERS Monitor (January 2025)
- b. Open Records

Discussion: The Executive Director will brief the Board regarding the above information.

Regular Board Meeting – Thursday, January 16, 2025

THE NCPERS

MONITOR

The Latest in Legislative News

January 2025

NCPERS

Executive Director's Corner



Why Effective Communication Matters for Public Pensions

By [Hank Kim](#), Executive Director and Counsel, NCPERS



Photo Illustration © 2025, iStock.com

As long-term investors, public pensions inevitably face good times and bad. Anticipating the downturns and implementing proper risk mitigation strategies are key for a fund's investment strategies—and the same logic applies to its communications.

Just as the investment landscape looks dramatically different today than it did 20 years ago, the communications landscape has rapidly evolved. But with declining financial literacy rates, growing distrust and scrutiny of government agencies, and increasing opportunities for misinformation to spread rapidly, pension funds face a growing number of obstacles with their communications. 🕒

Pension funds must create engaging and accessible communications that resonate across multiple generations—where some prefer to get their news from TikTok and others prefer the morning paper. They're often tasked with ensuring 20-somethings understand the implications of their retirement plan choices that may not affect them till 40 years later or communicating bad news about cost-of-living adjustments to retirees on a fixed income.

While most plan participants cannot 'shop around' for a pension like they might a bank, a fund's communications strategy can greatly impact sentiment and stakeholder trust. Over the past few decades, many plans have faced the tough choice of creating new tiers with reduced benefits to ensure their long-term fiscal sustainability. As this cohort of employees approaches retirement, there has been growing resentment about these changes seen at plans across the country. Clear communication and ongoing financial education can help prevent surprises—and help ensure plan participants have saved appropriately to supplement their pensions in retirement.

And the stakes are high: Ineffective communications can contribute to the spread of misinformation, loss of stakeholder trust, reputational damage, reduced credibility with policymakers and the media—or worse.

- ANNUAL COMPENSATION REPORT -

Public Pension Insights 2024:

A Comprehensive Survey on Compensation Trends

Find in-depth compensation data for 88 public pension roles and explore industry recruitment and retention trends.

+ Access an Interactive Dashboard

LEARN MORE

*For more information visit
www.ncpers.org/public-pension-compensation-survey*

NCPERS launched the inaugural Pension Communications Summit in 2023 to provide space for pension professionals to discuss solutions to many of these challenges, participate in peer-to-peer learning, and help advance the industry's communications strategies. This community of pension professionals has rapidly grown since then, and we look forward to welcoming a record number of attendees to Washington, DC for the [2025 Pension Communications Summit](#) later this month.

This year's [agenda](#) addresses many of the key challenges plans should be prepared for and highlights successful strategies being implemented across the country. Attendees will learn strategies for effectively communicating in a high-jargon industry, get tips for developing engaging multimedia content, find lessons learned from developing a financial wellness program, and much more.

Be sure to [register for the Pension Communications Summit](#) by January 17th to secure the discounted early-bird rates and to sign up to participate in the [Communications Roundtable](#) for virtual peer-to-peer learning year-round. ♦

Hidden Costs of Pension Reforms: Rising Income Inequality, Lagging Economic Growth

[DOWNLOAD THE REPORT](#)

Repeal of WEP-GPO: What Public Sector Workers Should Know About the Social Security Fairness Act

By: [Tony Roda](#), Williams & Jensen



Photo Illustration © 2025 iStock.com

The U.S. Congress recently delivered a holiday gift for many public sector workers.

In the early morning hours of December 21, the U.S. Senate took an historic vote to approve House-passed legislation to repeal the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO). The Social Security Fairness Act, H.R. 82, will now be presented to President Joe Biden for his signature.

These Social Security offsets affect public sector workers who earn both a pension from employment that is not covered by Social Security and also earn a Social Security benefit. As many as 28 percent of state and local government employees, some 6.5 million workers, are not covered by Social Security. Public sector unions, retirees, and a number of public pension plans led a multi-decade effort to repeal WEP-GPO.

The Social Security Fairness Act was approved in the Senate by a 76 to 20 margin. This followed House approval on November 12 by an equally strong vote of 327 to 75. During the House debate, Ways and Means Committee Chairman Jason Smith (R-MO) stated that repeal was far from a perfect solution. Repeal would cost the Social Security trust fund almost \$200 billion over 10 years and accelerate by six months the insolvency of the trust fund. These same arguments were raised in the Senate debate, but House Members and then Senators turned them aside in their desire to keep a political promise to millions of affected workers, including firefighters, police officers, teachers, and other public sector workers. ☺

Over the many years of this legislative battle, the WEP-GPO repeal bills attracted hundreds of cosponsors in the House and always had a strong showing in the Senate as well. But the cost of repeal was always a chief impediment. Many said that WEP-GPO could not be repealed unless it was part of a comprehensive restructuring of Social Security, in which the cost of repeal could be offset elsewhere in the Social Security program. However, that view was always countered by the belief that, if only the repeal bill could be brought to a vote, the many cosponsors would have to vote for the bills they had signed on to support. In the end, the latter view ruled the day.

Tired of inaction on the repeal legislation, the bill's chief House sponsors, Reps. Garret Graves (R-LA) and Abigail Spanberger (D-VA), led the charge to use the House rules to discharge the bill from the Ways and Means Committee and bring it to the full House for an up or down vote. On September 19, the cosigners of the discharge petition reached the magic number of 218, a simple majority in the House, which discharged the Committee and ultimately paved the way for House passage in November.

Following House passage, attention turned to the Senate. A companion Senate bill, S. 597, had 62 cosponsors. Sixty votes are needed to break a threatened filibuster on legislation, so there was little room for error if the bill was brought to the Senate floor as standalone legislation. In early December, Senate Majority Leader Chuck Schumer (D-NY) gave his word that a vote would absolutely be taken on the House-passed bill, and all Senators would be forced to publicly take a position. Schumer's commitment would test the belief that, if a vote was taken, the popular measure would have enough votes to be approved.

Senate consideration of any legislation is fraught with procedural and substantive hurdles. In each instance, repeal advocates prevailed. Clearly, the appetite of Congress was for full repeal, and nothing short of that would suffice.

NCPERS 2025 PENSION COMMUNICATIONS SUMMIT

Strategies for Tomorrow, Delivered Today



January 26- 27 | Washington, DC

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For more information visit www.ncpers.org/pension-communications-summit

The Senate considered three amendments to H.R. 82. Each was defeated soundly. An amendment offered by Sen. Rand Paul (R-KY), which would have offset the costs of repeal by gradually raising the eligibility age for Social Security to 70, was defeated 93 to 3. Sen. Mike Crapo (R-ID) offered an amendment to delay the effective date of repeal until a cost offset could be put in place. The Crapo amendment was defeated 62-34. Finally, an amendment offered by Sen. Ted Cruz (R-TX) to substitute a WEP-only formula change for repeal was defeated by a vote of 64 to 32. The WEP-only formula approach also was defeated in the House by a vote of 225 to 175.

It's unclear how quickly the Social Security Administration (SSA) will be able to recalculate the benefit amounts and begin making payments that reflect the WEP-GPO repeal. Another challenge facing SSA will be how to handle the fact that the legislation is effective for all monthly insurance payments made after December 2023. SSA will have determine how to most efficiently make these retroactive payments.

[Please join](#) us at the NCPERS [Legislative Conference & Policy Day](#) held January 27 – 29, 2025 to get the latest information on SSA's implementation of WEP-GPO repeal. It also presents a perfect opportunity to visit your members of Congress to thank them for this major win. ♦

[Tony Roda](#) is a partner at the Washington, D.C. law and lobbying firm [Williams & Jensen](#), where he specializes in legislative, regulatory, and fiduciary matters affecting state and local pension plans. He represents the National Conference on Public Employee Retirement Systems and state-wide, county, and municipal pension plans in California, Colorado, Georgia, Kentucky, Nebraska, Ohio, Tennessee, and Texas. Tony has an undergraduate degree in government and politics from the University of Maryland, J.D. from the Catholic University of America, and LL.M (tax law) from the Georgetown University Law Center.

NCPERS 2025
**LEGISLATIVE
CONFERENCE
& POLICY DAY**
Pension Advocacy in Action
January 27- 29 | Washington, DC
REGISTRATION IS OPEN !
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Recognizing the December 2024 Class of NCPERS Accredited Fiduciaries

By: [Lizzy Lees](#), Director of Communications, NCPERS



The [NCPERS Accredited Fiduciary \(NAF\) Program](#) is specifically designed and tailored for individuals involved in public pension governance. Trustees and staff who complete the two-part program, [NAF 1&2: Governance & Finance](#) and [NAF 3&4: Risk Management & Human Capital](#), have the opportunity to earn their Accredited Fiduciary (AF) designation by demonstrating mastery of the course content and plan governance best practices through an exam.

NAF is held twice per year (in the spring and the fall) allowing for small class sizes where participants can freely discuss challenges and opportunities while diving into key topics, including governance and the board's role; investment and finance; legal, risk management, and communication; and human capital. [Sign up here to learn more.](#)

NCPERS would like to recognize the 22 public pension trustees and staff who most recently passed the exam to earn the prestigious Accredited Fiduciary (AF) designation:

Paul Anderson	Stamford Professional Firefighters, Local 786
Sheldon Askew	Austin Police Retirement System
Denise Bradford	California State Teachers' Retirement System
Chris Brewster	San Diego City Employees' Retirement System
Linda Brown	Suffolk County Variable Supplement Trust

Ricki Contreras	Los Angeles County Employees Retirement Association
Justin DeCleene	Milwaukee Police Association
James Donaldson	Montgomery County Employee Retirement Plans
Cliff Haight	City of Aurora Colorado General Employees' Retirement Plan
Edward Jarvis	Anchorage Police & Fire Retirement System
Daniel Levler	Suffolk County Variable Supplement Trust
Louis Maggi	San Diego City Employees' Retirement System
Zakia Mahasa	City of Baltimore Employees' Retirement System
Andrew McNeil	City of Westland Police & Fire Retirement System
Mark Menkhaus	City of Cincinnati Retirement System
Joseph Micalizzi	Stamford Professional Firefighters, Local 786
Scott Miller	Segal (formerly North Dakota Public Employees Retirement System)
Jose Luis Pacheco	California Public Employees' Retirement System
Kevin Palkki	California Public Employees' Retirement System
Gordon Warnock	Suffolk County Variable Supplement Trust
Mullissa Willette	California Public Employees' Retirement System
Theodore Wusler	Milwaukee Professional Firefighters

NAF is part of NCPERS University, a suite of recurring educational programs tailored to the needs of trustees and staff at each level of their journey. NAF is intended for trustees and staff with at least two years of experience or those who have completed the [Trustee Educational Seminar](#) (TEDS).

The next NAF and TEDS programs will be held May 17-18 in Denver—immediately before [NCPERS 2025 Annual Conference & Exhibition](#) (ACE). Learn more and [sign up here](#) to be notified when registration opens. ♦

Call For Speakers Is Open!
Bring Your Insights to the Stage and Lead the Conversation!

SUBMIT YOUR PROPOSAL

Deadline: Monday, February 3, 2025

FOR MORE INFORMATION VISIT WWW.NCPERS.ORG/ACE-CALL-FOR-SPEAKERS

Canada Looks at Changing Pension Investing Rules to Promote “Asset Recycling”

By: [Neil Hrab](#)



Think of the word “recycling” and what probably comes to mind is the blue bin you use to collect papers and soda cans. In the pension investing context, “asset recycling” refers to a policy where a particular level of government sells off to investors some portion of a publicly-held infrastructure asset (e.g., a toll road, a harbor or port, an airport) with an associated income stream attached, and then uses the proceeds to invest in additional needed infrastructure.

The [World Bank, for example, has advanced the strategy](#) as a way for cash-strapped governments at the national, state/provincial and even local levels around the world to finance new or improved infrastructure.

The idea has been received skeptically by labor stakeholders in many jurisdictions, understandably concerned about the implications of public assets moving into private hands.

So far, one of the world’s largest-scale “laboratories” for asset recycling has been Australia, with Canadian pension investors like OMERS and Caisse de dépôt et placement du Québec (CDPQ) in recent years eagerly buying stakes in Australian ports and electricity transmission assets. The Canadians get to apply their recognized expertise in infrastructure investments to the stewardship of these key assets, while the Australians get Canadian cash for improvements to existing infrastructure. The Aussies probably are also grateful that these key assets are in the hands of pension investors located in a friendly country. ☺

And now, the Canadian [federal government is looking at taking some initial steps](#) on its own “asset recycling” plan— but without directly using that term.

Ottawa has as of mid-December announced [two asset recycling-related measures involving potential pension investments](#). In introducing these two potential rule changes (which were part of a broader set of pension investing rule amendments), a Canadian government spokesperson said: “Canada needs to fight harder than ever for capital, including facilitating and supporting the investment of Canadian capital here at home. This is key to the future prosperity of all Canadians.”

The first intended rule change will see Canada’s federal government work with Canada’s airports and pension funds to find ways to facilitate pension investments in these busy travel hubs. This will, the government says, include “potential changes to airport authority ground leases,” perhaps a nod to allowing real estate development on airport lands including hotels and convention centers – or perhaps warehousing. The large Canadian pensions are well-known for their airport investments around the world, from the UK to New Zealand to India.

There has been an on-again, off-again discussion of the merits of private sector or pension investments in Canadian airports [since 2016](#). The last time the idea was floated, [the general reaction from many stakeholders was very hostile](#); and the Great Canadian Airport Sweepstakes quickly sank without a trace.

The other measure announced in December is that Ottawa will study the merits of increasing Canadian pensions’ ability to make large investments in municipally-owned utility corporations, which provide electricity to local residential populations and businesses. The anticipated benefits of such a change could include how “municipally-owned electricity utilities would be able to access more capital to meet future demand and expand electricity production and distribution grids,” without borrowing or resorting to higher charges on customers.

What are the implications for the US, if any, as the Canadians take a step or two down the asset recycling road?

One outcome worth thinking about is this: the materialization of any actual pension investments in Canadian airports could potentially revive interest in re-opening [the now-closed effort to selling off an interest in of St. Louis, MO’s Lambert International Airport to private investors](#).

This effort in St. Louis was one of the higher-profile efforts so far to bring the “asset recycling” approach to the US, as the proceeds of any sale would have gone to support St. Louis’ municipal infrastructure budget. The sales process did not go ahead however, in part because of strong local opposition. (That’s even with at least one Canadian pension investor being among the parties that expressed interest in bidding.)

St. Louis is in Missouri, which of course is known as the “show me” state – an expression derived, legend tell us, from a Missouri-born man who, in refusing to believe some statement he felt to be incorrect, defiantly said: “I am from Missouri. You have got to show me.”

When it comes to asset recycling, in both Canada and the US, public suspicion towards this idea seems to run deep. Until its proponents are able to make asset recycling’s benefits clearer, the majority of voters will likely remain “from Missouri” on this issue. ♦

About the author: Neil Hrab worked in the Canadian pension sector for 12 years. His views are entirely his own.

Meet Courtney Desautels, NCPERS' Member Services Coordinator

By: [Lizzy Lees](#), Director of Communications, NCPERS



Have you met NCPERS' newest team member, [Courtney Desautels](#)? You may have seen her onsite at the registration desk or spoken on the phone, because in her short tenure as the Member Services Coordinator she has already played an integral role in supporting our events and membership teams.

Keep reading to get to know Courtney better and to learn more about what she does as NCPERS' Member Services Coordinator:

Q: What does a typical week as NCPERS' Member Services Coordinator look like?

A: My typical week is quite varied. I respond to a range of questions about [membership](#), [events and education](#), online account access, and more from our members via email and phone. I also do a little accounting, process payments and registrations, help prepare for the conferences, [post new job openings](#) on behalf of members, and continually update our always-growing membership database. Did you know we have over 5,000 members in our database?

Q: What do you like most about the role so far?

A: The best part of my job is talking or emailing with people from all over the country—to spend a few minutes focused on life as a teacher in sunny El Paso and then the next call savoring that Boston accent (where I have family) from a police officer enduring the winter weather. I think I enjoy the connections within the public sector as the majority of my family works in or retired from the public sector, including a teacher in Massachusetts. ☺

Q: Having worked in the public pension industry for a few months now, has anything you've learned surprised you?

A: I've been intrigued by the variety of skill sets needed to support pension funds. I did not expect to have the opportunity to interact with actuaries, lawyers, scholars, and more. I have really enjoyed learning so much from them at our events and through my interactions with members.

Oh, and the acronyms! I have been surprised (floored might be the better word) at the number of acronyms in this field. I used to work with the military, so that says a lot!

Q: Where are you from?

A: I was born in Sacramento, California, but spent most of my childhood in Pittsburgh, Pennsylvania, and Columbus, Ohio.

Q: When you're not assisting NCPERS members, what do you enjoy doing?

A: I enjoy traveling and being on the water (lake or ocean). I love to paddleboard and my goal is to get my golden retriever to get on the board with me. His goal is to eat as many sticks on the beach as possible, so we shall see who perseveres. When not on the go, I am happy spending time with family watching the WNBA (go Mystics!) and cheering on the Pittsburgh Steelers and Ohio State Buckeyes.

Q: How can members contact you?

A: The best way to reach me is at (202) 601-2445 or email me at cdesautels@ncpers.org. ♦

NCPERS 2024 Public Retirement Systems Study: Trends in Fiscal, Operational, and Business Practices

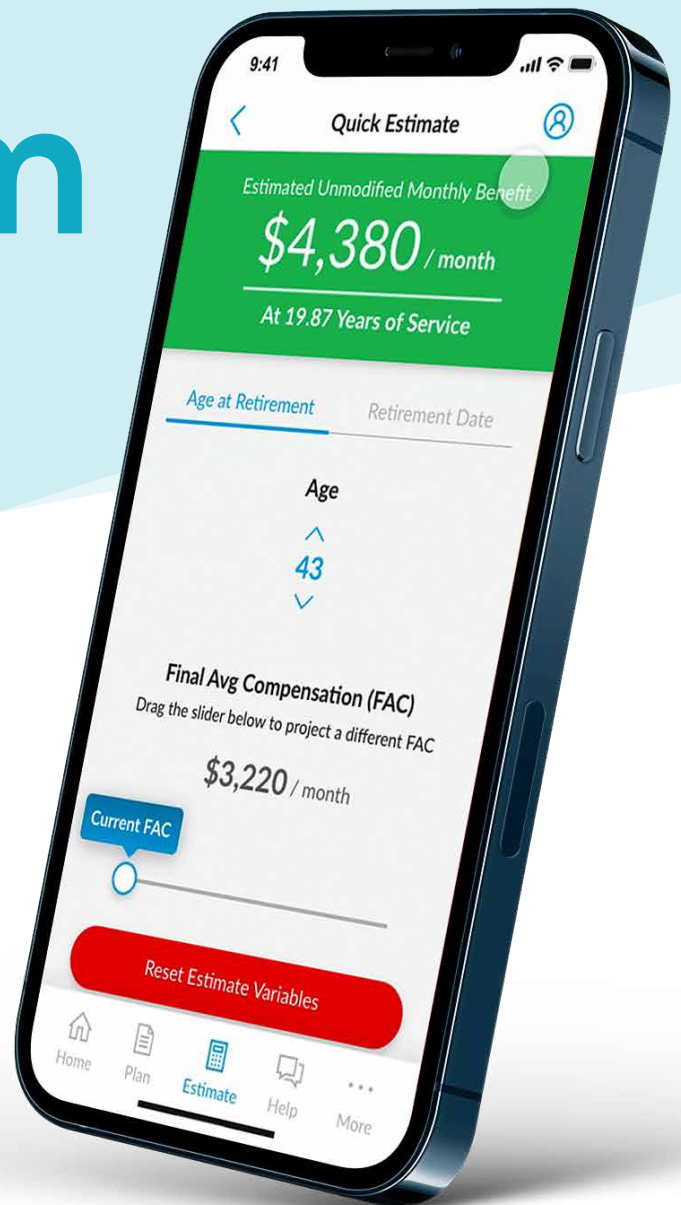


NCPERS PensionX Digital Platform

NCPERS has partnered with Digital Deployment to offer its members a **10% DISCOUNT** on PensionX, the premier digital platform that securely enables pensions to engage with active and retired participants via a mobile self-service app and portal.



pensionX



Learn more about this new NCPERS member benefit at ncpers.org/pensionx

[Maryland Launches Panel to Study Climate Implications of Pension System Investments](#)

Maryland officials have taken a step closer to divesting from fossil fuels and considering climate risks when evaluating proposals for how the state retirement and pension system should invest and earn money. The Maryland State Retirement and Pension System (SRPS) Board of Trustees voted unanimously to establish a Climate Advisory Panel, which will advise the board and staffers in the SRPS Investment Division on ways to address and mitigate climate risk when considering investments.

[READ MORE](#)

Source: *Maryland Matters*

[State Teachers Retirement System of Ohio Enhances Some Pension Benefits](#)

The State Teachers Retirement System of Ohio is sending out checks to retirees that gives them a bonus payment, based on their years of service and how long they've been retired. The pension fund board decided to use about \$300 million money generated from investment returns to give out the bonus checks. It's a one-time bonus that isn't guaranteed in future years.

[READ MORE](#)

Source: *The Columbus Dispatch*

[Morgantown, West Virginia Council Approves Measures to Address Police and Firefighter Pension Funds](#)

The Morgantown City Council unanimously approved the first reading of ordinances that would move newly hired first responders to the Municipal Police Officers and Firefighters Retirement System. The ordinance was passed as part of what is being titled by city staff as "The Compromise," which includes a combination of moving existing funds from sales tax revenue to the currently active pension funds for city police and firefighters and an increase to the city fire fee.

[READ MORE](#)

Source: *WAJR*

[Illinois Police Fund Finishes Consolidation of Local Pensions](#)

The Illinois Police Officers' Pension Investment Fund has completed the consolidation of 351 local police pension funds. Approximately 18 local pension funds had their assets transferred as part of the 14th and final group to be added, bringing the value of the IPOPIF's assets under management to \$12.9 billion.

[READ MORE](#)

Source: *Chief Investment Officer*

[NYC Pensions Counter Anti-DEI Rhetoric With \\$23.1B Invested in Diverse Firms](#)

The five New York City retirement systems have collectively invested or committed \$23.08 billion with minority and women-owned business enterprises, as of June 30, accounting for 13.33% of their U.S.-based actively managed assets, according to a recent report from the Office of the New York City Comptroller. Those figures are up from \$19.5 billion and 12.7% one year ago and \$16.8 billion and 11.6% in 2022.

[READ MORE](#)

Source: *Chief Investment Officer*



UPCOMING EVENTS

January 2025

Pension Communications Summit

January 26-27
Washington, DC

Legislative Conference & Policy Day

January 27-29
Washington, DC

May 2025

NCPERS Accredited Fiduciary (NAF) Program

May 17-18
Denver, CO

Trustee Educational Seminar (TEDS)

May 17-18
Denver, CO

Annual Conference & Exhibition (ACE)

May 18-21
Denver, CO

View all upcoming NCPERS conferences at
www.ncpers.org/future-conferences.



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