

## AGENDA



**Date:** May 5, 2022

The supplemental meeting of the Dallas Police and Fire Pension System Board of Trustees will be held at **8:30 a.m. on Thursday, May 12, 2022, 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/86820887333?pwd=aVFRNGpYUXF0dkN0NVVKSHNOem5OZz09> Passcode: 383706.** Items of the following agenda will be presented to the Board:

### **A. CONSENT AGENDA**

#### **1. Approval of Minutes**

Regular meeting of April 14, 2022

#### **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 14, 2022  
8:30 a.m.  
4100 Harry Hines Blvd., Suite 100  
Second Floor Board Room Dallas, TX**

Supplemental meeting, Nicholas A. Merrick, Chairman, presiding:

**ROLL CALL**

**Board Members**

Present at 8:34 a.m. Nicholas A. Merrick, William F. Quinn, Armando Garza, Michael Brown, Robert B. French (by telephone), Gilbert A. Garcia (by telephone), Kenneth Haben, Tina Hernandez Patterson, Steve Idoux (by telephone), Mark Malveaux (by telephone)

Absent: None

**Staff**

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

**Others**

Jill Svoboda, Logan Taylor, Ron Pastore, Mark Morrison, Michael Taglienti

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The Supplemental meeting was called to order and recessed at 8:34 a.m.

The Supplemental meeting was reconvened at 11:36 a.m.

Mr. Idoux was not present when the meeting reconvened.

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**CONSENT AGENDA**

**1. Approval of Minutes**

Regular meeting of March 10, 2022

**2. Approval of Survivor Benefits**

**Supplemental Board Meeting  
Thursday, April 14, 2022**

**CONSENT AGENDA (continued)**

After discussion, Mr. Garza made a motion to approve the minutes of the meeting of March 10, 2022. Mr. Quinn seconded the motion, which was unanimously approved by the Board.

After discussion, Mr. Haben made a motion to approve the remaining items on the Consent Agenda, subject to the final approval of the staff. Mr. Garza seconded the motion, which was unanimously approved by the Board.

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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 11:37 a.m.

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Nicholas A. Merrick  
Chairman

**ATTEST:**

\_\_\_\_\_  
Kelly Gottschalk  
Secretary



# **DISCUSSION SHEET**

## **Supplemental**

### **ITEM B**

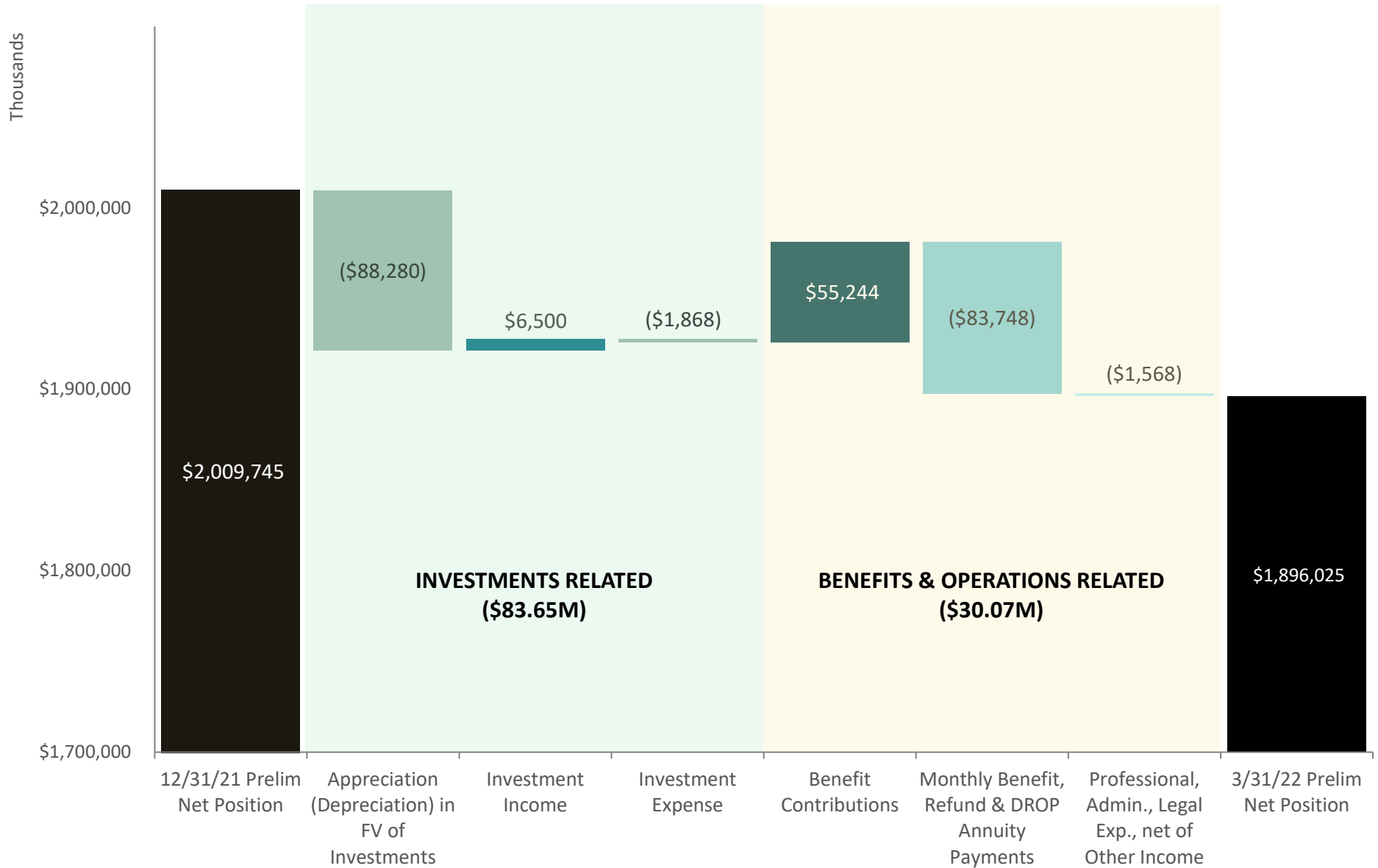
**Topic:** **Quarterly Financial Statements**

**Discussion:** The Chief Financial Officer will present the first quarter 2022 financial statements.

*Supplemental Board Meeting – Thursday, May 12, 2022*

## Change in Net Fiduciary Position

**PRELIMINARY** - December 31, 2021 – March 31, 2022



Components may not sum exactly due to rounding.

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

	March 31, 2022	PRELIMINARY December 31, 2021 (unaudited)	\$ Change	% Change
<b>Assets</b>				
<b>Investments, at fair value (NOTE)</b>				
Short-term investments	\$ 18,228,784	\$ 12,939,975	\$ 5,288,809	41%
Fixed income securities	405,496,835	420,600,845	(15,104,010)	-4%
Equity securities	892,377,317	968,323,984	(75,946,667)	-8%
Real assets	396,630,071	397,883,676	(1,253,605)	0%
Private equity	134,425,093	133,604,797	820,296	1%
Forward currency contracts	(7,887)	(45)	(7,842)	-17427%
<b>Total investments (NOTE)</b>	<b>1,847,150,213</b>	<b>1,933,353,232</b>	<b>(86,203,019)</b>	<b>-4%</b>
<b>Receivables</b>				
City	6,543,000	4,558,572	1,984,428	44%
Members	2,266,690	1,613,390	653,300	40%
Interest and dividends	4,030,347	3,444,616	585,731	17%
Investment sales proceeds	7,309,481	223,273	7,086,208	3174%
Other receivables	101,303	123,200	(21,897)	-18%
<b>Total receivables</b>	<b>20,250,821</b>	<b>9,963,051</b>	<b>10,287,770</b>	<b>103%</b>
Cash and cash equivalents	32,668,083	60,032,434	(27,364,351)	-46%
Prepaid expenses	1,003,606	411,295	592,311	144%
Capital assets, net	11,786,643	11,846,879	(60,236)	-1%
<b>Total assets</b>	<b>\$ 1,912,859,366</b>	<b>\$ 2,015,606,891</b>	<b>\$ (102,747,525)</b>	<b>-5%</b>
<b>Liabilities</b>				
<b>Payables</b>				
Securities purchased	12,241,203	358,266	11,882,937	3317%
Accounts payable and other accrued liabilities	4,592,952	5,503,373	(910,421)	-17%
<b>Total liabilities</b>	<b>16,834,155</b>	<b>5,861,639</b>	<b>10,972,516</b>	<b>187%</b>
<b>Net position restricted for pension benefits</b>	<b>\$ 1,896,025,211</b>	<b>\$ 2,009,745,252</b>	<b>\$ (113,720,041)</b>	<b>-6%</b>

**(NOTE)** Private asset values have not yet been reported for Q4 21. Values will be updated as final reporting is received.

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

	<u>Three Months Ended 3/31/2022</u>	<u>Three Months Ended 3/31/2021</u>	<u>\$ Change</u>	<u>% Change</u>
<b>Contributions</b>				
City	\$ 40,924,444	\$ 40,781,537	\$ 142,907	0%
Members	14,319,448	14,376,664	(57,216)	0%
<b>Total Contributions</b>	<u>55,243,892</u>	<u>55,158,201</u>	85,691	0%
<b>Investment income</b>				
Net appreciation (depreciation) in fair value of investments (NOTE)	(88,279,708)	22,129,119	(110,408,827)	-499%
Interest and dividends	6,499,760	7,229,477	(729,717)	-10%
Total gross investment income	(81,779,948)	29,358,596	(111,138,544)	-379%
less: investment expense	(1,867,772)	(2,659,655)	791,883	30%
<b>Net investment income</b>	<u>(83,647,720)</u>	<u>26,698,941</u>	(110,346,661)	-413%
Other income	56,826	87,068	(30,242)	-35%
<b>Total additions</b>	<u>(28,347,002)</u>	<u>81,944,210</u>	(110,291,212)	-135%
<b>Deductions</b>				
Benefits paid to members	82,697,147	80,254,244	2,442,903	3%
Refunds to members	1,051,222	747,572	303,650	41%
Legal expense	106,848	6,449	100,399	1557%
Legal expense reimbursement	-	-	-	0%
Legal expense, net of reimbursement	<u>106,848</u>	<u>6,449</u>	<u>100,399</u>	<u>1557%</u>
Staff Salaries and Benefits	907,868	976,394	(68,526)	-7%
Professional and administrative expenses	609,954	635,958	(26,004)	-4%
<b>Total deductions</b>	<u>85,373,039</u>	<u>82,620,617</u>	<u>2,752,422</u>	<u>3%</u>
<b>Net increase (decrease) in net position</b>	<u>(113,720,041)</u>	<u>(676,407)</u>		
Beginning of period	2,009,745,252	1,960,074,777		
End of period	<u>\$ 1,896,025,211</u>	<u>\$ 1,959,398,370</u>		

**(NOTE)** Private asset values have not yet been reported for Q4 21. Values will be updated as final reporting is received.