Dallas Police and Fire Pension System
Thursday, December 29, 2016
8:30 a.m.
Second Floor Board Room
4100 Harry Hines Blvd., Suite 100
Dallas, TX

Special meeting, Samuel L. Friar, Chairman, presiding:

ROLL CALL

Board Members

Present at 8:30	Samuel L. Friar, Kenneth S. Haben, Joseph P. Schutz, Brian Hass, Jennifer S. Gates, Erik Wilson, Tho T. Ho, Gerald D. Brown, Clint Conway, Kenneth Sprecher
Present at 9:25	Scott Griggs
Absent:	Philip T. Kingston
Staff	Kelly Gottschalk, Josh Mond, Summer Loveland, John Holt, Damion Hervey, Ryan Wagner, Christina Wu, Greg Irlbeck, Carol Huffman
Others	Chuck Campbell, Deborah Brigham, Jeff Williams, Jason Jordan, Ben Mesches, John Hanes, Bobby Yarberry, Cathy Yarberry, Mark Gibbons, Paul V. Ellzey, Joseph A. Freeze, J. M. Dunn, Martin Kemp, Sr., Gilbert Travis, Michael Flusche, Mitchell Smith, Deborah Smith, Lloyd D. Brown, Thomas White, Larry Williams, Jesus Lucio, Jr., Michael Spiotta, Sherman Evans, Jerome C. Zabojnik, Jr., Armando Garza, Rick Salinas, David Dodson, Dale Erves, George Scott, Dicky Ewing, Pete Bailey, Kenneth M. Thomas, Crista K. Walker, Lauren A. Johnson, Jim Aulbaugh, Joshua Groves, Charles Hale, Joel Lavender, Zaman Hemani, Jon Prior, S. Movl, Lori Brown, K. Bell, Arthur Hollingsworth, Bailey Hollingsworth, Monica Hernandez, Mel Sayavedra, Tristan Hallman, Tanya Eiserer, Robin Carter, Scott Sidney, Lee Kleinman, Ed Lowder, Brian New, Troy Larkin, Philip Fleming, Ashleigh Barry, Mike Hamburk, Russell Morgan, Michael Gomez

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

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A. DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR INDIVIDUAL CONSIDERATION:

1. Discussion and possible action on Lone Star CRA Fund

The Board went into closed executive session – legal at 8:30 a.m.

The meeting was reopened at 8:56 a.m.

Staff discussed a recent $42.5 million capital call for Lone Star CRA Fund with the Board.

After discussion, Mr. Brown made a motion to authorize the Executive Director to fund the capital call for the Lone Star CRA Fund. Mr. Haben seconded the motion, which was approved by the Board by the following vote:
For: Brown, Haben, Friar, Schutz, Hass, Wilson, Ho, Conway, Sprecher
Abstain: Gates
Absent: Griggs

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2. Certification of December 2016 Plan amendment election results

The election results as reported below by Election America were presented.

The Certified Election results letter is located in Minute Book 44 on page 211.

After discussion, Mr. Brown made a motion to certify the 2016 Plan Amendment Election results in accordance with Section 3 (e) of the Amendment Election Procedure. Mr. Sprecher seconded the motion, which was unanimously approved by the Board. Mr. Griggs was not present when the vote was taken.

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Election-America
In the business of perfection

Election-America, Inc.
1775 Eye Street NW, Suite 1150
Washington, DC 20006
Phone: (202) 360-4420
Toll Free: (866) 514-2995
services@election-america.com

Official Declaration of the Vote
2016 DPFPS Plan Amendment Election
Certified Results

Provided by Election-America, Inc.

2016 DPFPS Plan Amendment Election		
Ballot Item	**Choice**	**Votes**
BALLOT ITEM 1 - Plan Changes Related to Benefits	Yes	989
	No	**1209**
BALLOT ITEM 2 - Plan Changes Related to Service Trustee Board Positions	**Yes**	**1467**
	No	727
BALLOT ITEM 3 - Requirements to Receive Credit for Additional Compensation Upon the Award of Back Pay	**Yes**	**1420**
	No	770

3. Discussion and possible action on DROP Policy and DROP installment payments

The Board went into closed executive session – legal at 9:02 a.m.

The meeting was reopened at 11:03 a.m.

Mr. Griggs left the meeting at 10:26 a.m.

Staff discussed with the Board ideas for the amendment to the DROP Policy contemplated by the Board motion on December 8, 2016. Additionally, the Board discussed the December DROP installment payments in light of Judge Parker's ruling on December 21, 2016.

After discussion, Mr. Schutz made a motion to reinstate the monthly DROP distributions as stated in Judge Parker's temporary ruling, with the ongoing monthly distributions that were in effect in November, 2016. Mr. Sprecher seconded the motion, which was approved by the following vote:
For: Schutz, Sprecher, Friar, Haben, Gates, Wilson, Ho, Brown, Conway
Against: Hass
Absent: Griggs

After discussion, Mr. Conway made a motion to immediately pay out 60% of all DROP accounts based on the Pension System's liquidity. The motion died for the lack of a second.

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The meeting was recessed at 11:30 a.m.

The meeting was reconvened at 12:00 p.m.

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4. Discussion and possible action on Legislative Matters

a. City of Dallas plan
b. DPFP plan

The Board went into closed executive session – legal at 12:00 p.m.

The meeting was reopened at 12:57 p.m.

No motion was made.

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5. Museum Tower contractor dispute

The Board went into closed executive session – legal at 1:28 p.m.

The meeting was reopened at 1:41 p.m.

No motion was made.

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B. BRIEFING ITEM

Reports and concerns of active members and pensioners of the Dallas Police and Fire Pension System

The Board heard member and pensioner comments.

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Ms. Gottschalk stated that there was no further business to come before the Board. On a motion by Mr. Brown and a second by Ms. Gates, the meeting was adjourned at 1:42 p.m.

[signature]

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Samuel L. Friar
Chairman

ATTEST:

[signature]

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Kelly Gottschalk
Secretary

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AGENDA

Date: December 22, 2016

A special meeting of the Dallas Police and Fire Pension System Board of Trustees will be held at **8:30 a.m. on Thursday, December 29, 2016, in the Second Floor Board Room at 4100 Harry Hines Boulevard, Dallas, Texas.** Items of the following agenda will be presented to the Board:

A. DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR INDIVIDUAL CONSIDERATION:

1. **Discussion and possible action on Lone Star CRA Fund**

   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.

2. **Certification of December 2016 Plan amendment election results**

3. **Discussion and possible action on DROP Policy and DROP installment payments**

   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.

4. **Discussion and possible action on Legislative Matters**

   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.

   a. City of Dallas plan
   b. DPFP plan

5. **Museum Tower contractor dispute**

   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.

B. BRIEFING ITEM

Reports and concerns of active members and pensioners of the Dallas Police and Fire Pension System

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, and Section 551.078 for review of medical records.

DISCUSSION SHEET

ITEM #A1

Topic: **Discussion and possible action on Lone Star CRA Fund**

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 discuss a recent capital call for Lone Star CRA fund with the Board.

Staff Recommendation: **Authorize** the Executive Director to fund the capital call for the Lone Star CRA Fund.

DALLAS POLICE & FIRE PENSION SYSTEM

DISCUSSION SHEET

ITEM #A2

Topic: **Certification of December 2016 Plan amendment election results**

Discussion: **Plan Amendment Election Results**

Voting in the 2016 Plan amendment election ended 12/17 at 12pm with the following results as provided by DPFP's third-party election vendor, Election America, Inc.:

Ballot Item 1 – Plan Changes Related to Benefits – NOT PASSED – 45.0% In favor, 55.0% Not in favor

Ballot Item 2 – Plan Changes Related to Service Trustee Board Positions – PASSED - 66.9% In favor, 33.1% Not in favor

Ballot Item 3 – Requirements to Receive Credit for Additional Compensation Upon the Award of Back Pay – NOT PASSED - 64.8% In favor, 35.2% Not in favor

Staff Recommendation: **Certify** the 2016 Plan Amendment Election results in accordance with Section 3 (e) of the Amendment Election Procedure.

DALLAS POLICE & FIRE PENSION SYSTEM

DISCUSSION SHEET

ITEM #A3

Topic: **Discussion and possible action on DROP Policy and DROP installment payments**

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 discuss with the Board ideas for the amendment to the DROP Policy contemplated by the Board motion on December 8. Additionally, the Board will discuss the December DROP installment payments in light of Judge Parker's ruling on December 21.

DISCUSSION SHEET

ITEM #A4

Topic: **Discussion and possible action on Legislative Matters**

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.

a. City of Dallas plan
b. DPFP plan

Discussion: Staff will review the bill proposed by the City of Dallas either for possible changes to such bill or a separate bill from DPFP.

DISCUSSION SHEET

ITEM #A5

Topic: **Museum Tower contractor dispute**

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: Counsel will brief the Board on a legal matter involving a contractor with Museum Tower.

DISCUSSION SHEET

ITEM #B

Topic: **Reports and concerns of active members and pensioners of the Dallas Police and Fire Pension System**

Discussion: This is a Board-approved open forum for active members and pensioners to address their concerns to the Board and staff.