



Commercial Insurance Proposal
Employees' Retirement Fund of the City of Dallas

Prepared By
Harry Johnson, Senior Vice-President

November 17th, 2020

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THIS PROPOSAL CONTAINS ONLY A SUMMARY OF YOUR INSURANCE COVERAGE AND POLICY. IT IS YOUR RESPONSIBILITY TO CAREFULLY AND COMPLETELY REVIEW THE ENTIRE POLICY FOR ITS ACTUAL LIMITS, TERMS, CONDITIONS, EXCLUSIONS AND ENDORSEMENTS. IN THE EVENT OF ANY INCONSISTENCY BETWEEN THE TERMS OF THE POLICY AND THE PROVISIONS OF THIS PROPOSAL, THE TERMS OF THE POLICY WILL GOVERN AND CONTROL.

Service Team

Our ability to provide superior service starts with quality people. The key individuals assisting you with your account are:

Account Executive	
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Executive Summary

It is our pleasure to present to you the Fiduciary renewal terms for the Employees' Retirement Fund of the City of Dallas. Hub was successful in securing attractive renewal options from the incumbent carriers Chubb and Euclid.

Notable Renewal Highlights

Chubb Primary \$10M Limit:

Chubb's renewal premium is quoted at \$106,488, translating to 3% increase from expiring premium of \$103,474. The reason cited by Chubb for the increase is due to the notable drop in the funding level, 80.0% in 2018 and has dropped to 75.7% in 2019. Given the extreme hard market conditions compounded by COVID-19, we have found this increase to be much smaller than typical increases we're seeing for other risks. Minimum increase are now starting excess of 5%, and in many cases, excess of 15%.

Other than the premium, all coverage terms and conditions are identical to the expiring. All of previously negotiated enhancements will remain on the policy and there are no new restrictive exclusions being added this year.

Euclid \$10M Excess \$10M

Euclid was able to revise their initial renewal premium down to \$50,702 to match that of the expiring premium of \$50,702. No change in coverage from last year.

RLI \$10M Excess \$20M

RLI's excess renewal quoted at \$38,000 which is no change from the expiring \$38,000. No change in coverage from last year.

Based on the renewal terms provide by the incumbent carries Chubb, Euclid, and RLI coverage should be renewed with them.

There are no subjectivities to bind the coverage with the incumbent carriers as presented.

Fiduciary Liability

Client: Employees' Retirement Fund of the City of Dallas

Policy Term: 1/13/2021 to 1/13/2022

Fiduciary Liability is coverage for the organization and the employees acting as fiduciaries of your welfare, defined contribution and defined benefit plans for a breach of duty, negligent act, error or omission, or any other matter claimed by reason of their service to the corporation as a Fiduciary.

Primary Fiduciary Liability

Primary Carrier: Federal Insurance Company (Chubb)

Best Rating: A++ XV

Form Type Chubb Labor Management Trust Fiduciary Liability Policy Form
Claims Made; Duty of Insurer to Defend

Limits of Liability & Retentions	<u>Fiduciary Liability Limit</u>	\$10,000,000
	HIPAA fines / penalties sublimit	\$1,500,000
	ERISA 502c penalties sublimit	\$250,000
	PPACA civil penalties sublimit	\$250,000
	PPA penalties sublimit	\$250,000
	IRS Section 4975 penalties sublimit	\$250,000
	Voluntary Settlement Program fee coverage sublimit	\$250,000
	Benefit Overpayment Coverage sublimit	\$100,000
	Other Fines, Taxes or Penalties Coverage sublimit	\$250,000
	Section 203 of Bipartisan Budget Act Sublimit	\$250,000
Retention – Per Fiduciary Claim	\$50,000	

Total Premium \$106,488 (exp. \$103,474)

Prior and Pending 01/13/09

Litigation Dates

**Key Endorsements
and/or
Enhancements**

- Waiver of Retention for No Liability
- Severability of Cooperation
- Pollution Exclusion deleted
- Pre-Approved Panel Counsel Endorsement (Locke Lord, LLP)
- No deductible applies to the first \$25K of Defense Costs incurred for E-Discovery Specialist Service as a result of a Claim
- Notice of Claim is amended to 180 days after the policy expires, if it is renewed with Chubb; if coverage is not renewed with Chubb a claim must be reported no later than 60 days after policy expiration
- Definition of Administration is amended to include counseling or failing to provide proper or timely notice to participants
- Definition of Insured includes any Committee
- Umbrella Sublimit Endorsement - \$250K

Excess - Euclid

Excess Insurer: Hudson Insurance Company

Best Rating: A XV

Policy Form: Excess Fiduciary Liability Insurance Following Form Policy

**Excess Fiduciary
Limits of Liability &
Premium**

\$10,000,000 excess \$10,000,000

\$50,702
(expiring \$50,702)

**Prior and Pending
Litigation Date**

01/13/09 for \$10m xs \$10m

Endorsements

Dropdown Coverage for Multiple Sublimits Endorsement –

- PPA Penalty \$250,000 sublimit
- PPACA \$250,000 sublimit
- Section 4975 \$250,000 sublimit
- HIPAA \$250,000 sublimit
- 502(C) \$250,000 sublimit
- Voluntary Settlement \$250,000 sublimit
- Other Fines Taxes or Penalties \$250,000 sublimit

Enhanced Exhaustion of Underlying Insurance Endorsement

Excess - RLI

Excess Insurer: RLI Insurance Company

Best Rating: A+ (Superior)

Policy Form: Excess Follow Form Fiduciary Liability

**Excess Fiduciary
Limits of Liability &
Premium** \$10,000,000 excess \$20,000,000 **\$38,000**
(expiring \$38,000)

**Prior and Pending
Litigation Date** 01/13/20 for \$10m xs \$20m

Endorsements
RIL 110A (01/08) - Supplemental Declarations
UW 1042ML (05/20) - Texas Policyholder Notice
XF 604 (10/10) - Prior Knowledge Exclusion
RIL 200 (10/00) - Attention Policyholder
UW 20342 (03/12) - Policyholder Notice - OFAC
ILF 0001C (04/16) - Signature Page - Commercial Lines

Cyber Liability

Client: Employees' Retirement Fund of the City of Dallas
 Carrier: ACE American Insurance Company
 A.M. Best Rating: A++ XV
 Policy Term: 1/13/2021 to 1/13/2022

Chubb Cyber Enterprise Risk Management Policy – Option 1

Maximum Single Limit of Insurance	\$5,000,000
Maximum Policy Aggregate Limit of Insurance	\$5,000,000

First Party Insuring Agreements			
Insuring Agreement	Limit of Insurance Each Accident/Aggregate	Retention/Waiting Period Each Incident	Cyber Incident Response Coach Retention
Cyber Incident Response Fund	Included	Included	Included
Cyber Incident Response Team	\$5,000,000/\$5,000,000	\$25,000	\$0
Non-Panel Response Provider	\$2,500,000/\$2,500,000	\$25,000	\$25,000
Business Interruption Loss and Extra Expense	N/A	N/A	N/A
Contingent Business Interruption Loss & Extra Expense	N/A	N/A	N/A
Unscheduled Providers	N/A	N/A	N/A
Scheduled Providers	N/A	N/A	N/A
Digital Network Extortion	\$5,000,000/\$5,000,000	\$25,000	N/A
Network Extortion	\$5,000,000/\$5,000,000	\$25,000	N/A

Third Party Liability Insuring Agreements				
Insuring Agreement	Limits Each Accident/Aggregate	Retention/Waiting Period Each Incident	Retroactive Date	Pending or Prior Proceedings Date
Cyber Privacy, Network, & Security Liability	\$5,000,000/\$5,000,000	\$25,000	Full Prior Acts	12/17/2018
Payment Card Loss	\$100,000/\$100,000	\$25,000	Full Prior Acts	12/17/2018
Regulatory Proceedings	\$5,000,000/\$5,000,000	\$25,000	Full Prior Acts	12/17/2018
Electronic, Social & Printed Media Liability	\$5,000,000/\$5,000,000	\$25,000	Full Prior Acts	12/17/2018

Option 1 Premium Total: \$31,785

Chubb Cyber Enterprise Risk Management Policy – Option 2

Maximum Single Limit of Insurance	\$5,000,000
Maximum Policy Aggregate Limit of Insurance	\$5,000,000

First Party Insuring Agreements

Insuring Agreement	Limit of Insurance Each Accident/Aggregate	Retention/Waiting Period Each Incident	Cyber Incident Response Coach Retention
Cyber Incident Response Fund	Included	Included	Included
Cyber Incident Response Team	\$5,000,000/\$5,000,000	\$50,000	\$0
Non-Panel Response Provider	\$2,500,000/\$2,500,000	\$50,000	\$50,000
Business Interruption Loss and Extra Expense	N/A	N/A	N/A
Contingent Business Interruption Loss & Extra Expense	N/A	N/A	N/A
Unscheduled Providers	N/A	N/A	N/A
Scheduled Providers	N/A	N/A	N/A
Digital Network Extortion	\$5,000,000/\$5,000,000	\$50,000	N/A
Network Extortion	\$5,000,000/\$5,000,000	\$50,000	N/A

Third Party Liability Insuring Agreements

Insuring Agreement	Limits Each Accident/Aggregate	Retention/Waiting Period Each Incident	Retroactive Date	Pending or Prior Proceedings Date
Cyber Privacy, Network, & Security Liability	\$5,000,000/\$5,000,000	\$50,000	Full Prior Acts	12/17/2018
Payment Card Loss	\$100,000/\$100,000	\$50,000	Full Prior Acts	12/17/2018
Regulatory Proceedings	\$5,000,000/\$5,000,000	\$50,000	Full Prior Acts	12/17/2018
Electronic, Social & Printed Media Liability	\$5,000,000/\$5,000,000	\$50,000	Full Prior Acts	12/17/2018

Option 2 Premium Total: \$30,321

Chubb Cyber Enterprise Risk Management Policy – Option 3

Maximum Single Limit of Insurance	\$5,000,000
Maximum Policy Aggregate Limit of Insurance	\$5,000,000

First Party Insuring Agreements

Insuring Agreement	Limit of Insurance Each Accident/Aggregate	Retention/Waiting Period Each Incident	Cyber Incident Response Coach Retention
Cyber Incident Response Fund	Included	Included	Included
Cyber Incident Response Team	\$5,000,000/\$5,000,000	\$50,000	\$0
Non-Panel Response Provider	\$2,500,000/\$2,500,000	\$50,000	\$50,000
Business Interruption Loss and Extra Expense	\$5,000,000/\$5,000,000	\$50,000/8 Hours	N/A
Contingent Business Interruption Loss & Extra Expense	Included	Included	Included
Unscheduled Providers	\$5,000,000/\$5,000,000	\$50,000/8 Hours	N/A
Scheduled Providers	N/A	N/A	N/A
Digital Network Extortion	\$5,000,000/\$5,000,000	\$50,000	N/A
Network Extortion	\$5,000,000/\$5,000,000	\$50,000	N/A

Third Party Liability Insuring Agreements

Insuring Agreement	Limits Each Accident/Aggregate	Retention/Waiting Period Each Incident	Retroactive Date	Pending or Prior Proceedings Date
Cyber Privacy, Network, & Security Liability	\$5,000,000/\$5,000,000	\$50,000	Full Prior Acts	12/17/2018
Payment Card Loss	\$1,000,000/\$1,000,000	\$50,000	Full Prior Acts	12/17/2018
Regulatory Proceedings	\$1,000,000/\$1,000,000	\$50,000	Full Prior Acts	12/17/2018
Electronic, Social & Printed Media Liability	\$5,000,000/\$5,000,000	\$50,000	Full Prior Acts	12/17/2018

Option 3 Premium Total: \$38,680

Forms

Chubb Producer Compensation Practices & Policies	ALL-20887a (03/16)
Policyholder Notice Cyber Services for Loss Mitigation	PF-48260 (10/16)
Policyholder Notice Cyber Services for Incident Response	PF-48259 (02/19)
U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") Advisory Notice to Policyholders	PF-17914a (04/16)
Trade Or Economic Sanctions Endorsement	ALL-21101 (11/06)
Cap On Losses From Certified Acts Of Terrorism	PF-45354 (02/19)
Disclosure Pursuant To Terrorism Risk Insurance Act	TRIA11d (03/16)
Risk Control Services for Texas Policyholders	ALL-11559e (07/16)
Texas Notice - Information and Complaints	ALL-4Y30g (05/20)
US Foreign Account Tax Compliance Act ("FATCA")	ALL-42490b (07/16)
Cap On Losses From Certified Acts Of Terrorism	PF-45354 (01/15)
Signatures	CC-1k11h (03/14)

Commercial Package Summary

First Named Insured: Employees' Retirement Fund of the City of Dallas

The First Named Insured will be the insured that is:

- *Responsible for payment of premium*
- *Authorized to make changes in policy with approval of insurance company*
- *Authorized to cancel the policy*
- *Designated to receive notice of cancellation*

Mailing Address: 1920 McKinney Avenue, Suite 1000
Dallas, TX 75201

Effective Date: 01-13-2021

Coverage Becomes Effective 12:01 A.M. Standard Time at your mailing address.

NOTE: Review Named Insured(s) and Property Owners

Please check to ensure all appropriate entities are named. Any entity (including Partnerships, corporations, joint ventures, individuals, etc.) not listed above is not included as a Named Insured. Entities with limited interests in policies, such as those who are to be included as an Additional Insured, Loss Payee, Lessor, or Mortgagee, are listed in the relevant coverage sections of this proposal.

Property Coverage

Client: Employees' Retirement Fund of the City of Dallas
 Carrier: Federal Insurance Company
 A.M. Best Rating: A++ XV
 Policy Term: 1/13/2021 to 1/13/2022

The Commercial Property policy covers your buildings, contents or specified other property against perils defined by the form, subject to the terms of the policy. Coverage for off-premises property is limited.

Coverage/Limits

Loc #	Bldg #	Address	Description		
1	1	1920 McKinney Ave, Suite 1000, Dallas, TX	Office		
Subject of Insurance		Limit	Cause of Loss	Deductible	Valuation
Tenants I&B (Improvements and Betterments)		\$2,301,632	Special (Including theft)	\$1,000	Replacement Cost
EDP Property on Premises		\$750,000	Special (Including theft)	\$1,000	Replacement Cost
Business Income with Extra Expense		\$1,081,600	Special (Including theft)	24 Hours	Replacement Cost

Total Premium: \$9,099

Key Endorsements:

- Covered Premises \$250K Blanket Limit of Insurance
 - Applies to Accounts Receivable, EDP Property, Fine Arts, Leasehold Interest, Non-Owned Detached Trailers, Outdoor Trees/Shrubs/Plants/Lawn, Personal Property of Employees, Property Damage Extortion, Public Safety Service Charges, Rental Income and Valuable Papers
 - Any Other Location limit of \$100K
 - In Transit limit of \$100K
 - Newly Acquired Premises: Building limit of \$2.5m
 - Newly Acquired Premises: Personal Property limit of \$1m
 - Newly Acquired Premises: Personal Property at Existing Premises limit of \$100K
 - Newly Acquired Premises: Electronic Data limit of \$50K
- Prohibition of Access sublimit of \$50K per occurrence and \$100K annual aggregate

Forms and Endorsements





Description
Business Personal Property
Electronic Data Processing Property
Rental Income
Extra Expense
Accounts Receivable, Fine Arts & Valuable Papers & Records
Property/Business Income Conditions and Definitions
All Texas Amendatory State Required forms
<p>DISCLAIMER: This document contains only a summary of endorsements it is not a complete list. It is your responsibility to carefully and completely review the actual policies for actual terms, limits and conditions. In the event of any inconsistency between the terms of the policies and the provisions of this document, the terms of the policies will govern and control.</p>

Property Coverage Definitions

BLANKET INSURANCE

This coverage allows for a single limit of insurance to apply to two or more property items at one location, or to two or more kinds of property at several locations, instead of a specific amount applying to a specific subject of insurance. It allows you to shift property values with no impairment of recovery, as long as the total amount of insurance carried complies with the coinsurance requirement stated in the policy.

BUILDINGS

This coverage provides protection for permanent structures listed on the policy. Completed additions, permanently-installed fixtures, machinery and equipment, outdoor fixtures, owned personal property used to service, repair or maintain the building and additions under construction or repair are all included in this definition. Various additional endorsements and extensions can also be added to ensure that adequate protection is being provided for your particular situation.

PERSONAL PROPERTY

This coverage protects personal property owned by your firm and used in your operations. Furniture and fixtures, equipment and machinery, raw stock, and finished goods all fall within this category. Various additional endorsements and extensions can also be added to ensure that adequate protection is being provided for your particular situation.

BUSINESS INCOME AND EXTRA EXPENSE

When selected, this coverage insures you against loss of business income (including any continuing normal operating expenses) that you experience because of a suspension of your business when insured property has been damaged by a covered peril. It also covers those necessary extra expenses you incur to operate your business during that period of time your damaged property is being repair or replaced.

COINSURANCE

A policy may contain a coinsurance provision requiring that the limits of insurance be a minimum percentage (usually 80%) of the insurable value of your property. If the limits of your policy are less than what is required by this provision, then any claim payment made to you may be reduced by the same percentage as the deficiency. For example, covered property worth \$100,000 may require a minimum of 80%, or \$80,000, of coverage for compliance with the policy's coinsurance requirement. If only \$60,000 of coverage is carried (25% less than the required \$80,000), then any loss payment would be reduced by 25%.

DEDUCTIBLE

The deductible provision specifies the amount that will be deducted from any payment made to you because of a covered loss.

VALUATION

- **ACTUAL CASH VALUE VALUATION** – This valuation method pays for the cost to repair or replace damaged property with like kind and quality, less reasonable deductions for wear and tear, deterioration, and economic obsolescence.
- **AGREED VALUE VALUATION** – This coverage is used to remove the coinsurance requirement from your property policy. With it your company agrees that the limits of insurance purchased by you are adequate, and any coinsurance requirements will be waived in the event of a covered loss.
- **REPLACEMENT COST VALUATION** – This loss valuation method pays for the cost to repair or replace damaged items with like kind and quality without deduction for depreciation. This is important since you could face a substantial loss if you must replace property at today's prices but receive only the depreciated value of the property that was destroyed.

CAUSES OF LOSS – SPECIAL FORM

This coverage will protect covered property against direct physical loss arising from any cause not specifically excluded. The advantage of this form is that the insurance company must prove that a loss is specifically excluded in order to deny coverage under the policy. **Some examples of exclusions include:**

- Backup of sewers and drains
- Mysterious disappearance of property
- Wear and tear, latent defect inherent vice, insects and vermin
- Dampness or dryness of the atmosphere and changes in the temperature
- Artificially generated electrical currents
- Explosion of steam boilers
- Flood
- Earthquake
- Mold
- Terrorism

General Liability

Client: Employees' Retirement Fund of the City of Dallas
 Carrier: Federal Insurance Company
 A.M. Best Rating: A++XV
 Policy Term: 1/13/2020 to 1/13/2021

This type of policy protects your business from claims arising from your legal liability for injury or damages to other people or their property. Coverage payments can include judgments, attorney fees, court costs, or other related expenses as defined in the form.

General Coverage Information

Coverage Description	Limits
General Aggregate	\$2,000,000
Aggregate Applies to	Policy
Personal and Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000
Damage to Premises Rented to You (any one premises)	\$1,000,000
Medical Expense/Medical Payments (any one person)	\$10,000

Terms and Conditions

Coverage Description	
Policy Type	Occurrence
Audit Period	Not Applicable

Commercial General Liability Schedule of Hazards

Loc #	Classification	Class Code	Basis	Exposure
1	Office-premises occupied by employees of the insured - other NFP	61224	A	22,000

- | | |
|---------------------------------------|-----------------------------------|
| (S) Gross Sales – Per \$1,000/Sales | (A) Area – Per 1,000/Square Feet |
| (M) Admissions – Per 1,000/Admissions | (P) Payroll – Per \$1,000/Payroll |
| (C) Total Cost – Per 1,000 Cost | (U) Unit – Per Unit |
| (T) Other | |

Note: This portion of the policy may be subject to audit at expiration of the policy term. It is important to obtain certificates of insurance for General Liability for all subcontractors. Please be reminded, you could be responsible for the premium on any uninsured subcontractors.

Forms and Endorsements

Description
General Liability Coverage Form
All State Mandatory Endorsements
CAP on Certified Terrorism Losses
Exclusions <i>(not a complete list)</i> - Pollution, Foreclosure, Trust, Leasing, Construction Loan, Lead, Intellectual Property, Trade & Security Practices, Pollution, Alcoholic Beverages Type Business, Product Withdrawal, Loss of Use of Electronic Data
DISCLAIMER: This document contains only a summary of endorsements it is not a complete list. It is your responsibility to carefully and completely review the actual policies for actual terms, limits and conditions. In the event of any inconsistency between the terms of the policies and the provisions of this document, the terms of the policies will govern and control.

Premium Summary

Description Of Coverage	Current Premium	Proposed 2021/2022 Premium
Fiduciary Liability	" 103,474	" 106,488
Excess Fiduciary Liability - Euclid	" 50,702	" 50,702
Excess Fiduciary Liability - RLI	" 38,000	" 38,000
Commercial Package (Property & General Liability)	" 8,682	" 9,099
Cyber Liability (See Below for Options)	" 25,633	" 30,321
Total Estimated Annual Premium*	\$ 226,491	\$ 234,610

Cyber Liability Option 1 - \$31,785
Cyber Liability Option 2 - \$30,321
Cyber Liability Option 3 - \$38,680

**All quoted premiums are annual estimates and may change due to year end audits or mid-term policy changes.*

Confirmation to Bind

CONFIRMATION TO BIND AGREEMENT

I, _____, on behalf of Employees' Retirement Fund of the City of Dallas, hereby acknowledge that we have reviewed the enclosed proposal and confirm HUB's acknowledgment to bind the programs described within, except:

- **As Proposed:**
 - Fiduciary Liability – Primary \$10m – Chubb:
 - Fiduciary Liability – Excess \$10m – Euclid:
 - Fiduciary Liability – Excess \$10m – RLI
 - Commercial Package – Chubb:
 - Cyber Liability – Chubb:

- **Changes as Follows:**

Accepted by: _____

Signature

Date

Name

Title

Electronic Documents

CONSENT TO RECEIVE ELECTRONIC DOCUMENTS

Employees' Retirement Fund of the City of Dallas (Client) hereby consents and agrees to receive electronic documents related to insurance coverage procured or quoted by, or Client's business relationship with, Hub International Insurance Services (HUB). In addition to traditional manners of delivery, Hub may transmit documents to Client through electronic means, such as electronic mail and facsimile. The documents that may be transmitted electronically include, but are not limited to, the following: insurance policies; policy information pages; coverage forms; endorsements; applications; binders; certificates and evidence of insurance; invoices; premium finance agreements; audit statements; loss control reports; claim reports; correspondences; notices of cancellation and non-renewal; and policies related to the operation of HUB's business.

Please provide e-mail address of proper recipient below.

I approve of receiving policies and other documentation, when available, via electronic mail.

 Please consider the Environment

Signature

Date

A.M. Best Carrier Ratings

A.M. Best Company is the leading provider of ratings, news and financial data for the insurance industry worldwide. Their Best Financial strength rating is an independent opinion of the insurer' financial strength and ability to meet its ongoing insurance policy and contract obligations. The rating is based on a comprehensive and qualitative evaluation of a company's balance sheet, strength, operating performance and business profile.

As professional agents it has long been our established policy to make every effort to deal only with companies having a Best's Rating of A++, A+, A or A-, which are the four highest ratings available, and a minimum of \$50 million in Policyholders' Surplus. **It must be noted that neither HUB International nor any affiliated company guarantees the financial solvency of any insurance carrier.** The following list outlines the A. M. Best Company rating scale and associated descriptions.

Financial Strength Ratings: An A.M. Best's Financial Strength Rating is an opinion of an insurer's ability to meet its obligation to policyholders.

A.M. Best Rating			
A++, A+	Superior	C, C-	Weak
A, A-	Excellent	D	Poor
B++, B+	Very Good	E	Under Regulatory Supervision
B, B-	Good	F	In Liquidation
C++, C+	Marginal		

Financial Size Categories: A.M. Best assigns each letter rated insurance company a Financial Size Category. This is designed to provide a convenient indicator of the size of a company in terms of its statutory surplus and related accounts.

Financial Size Categories (In millions of U.S. dollars)			
Class I	Up to 1	Class IX	250 to 500
Class II	1 to 2	Class X	500 to 750
Class III	2 to 5	Class XI	750 to 1,000
Class IV	5 to 10	Class XII	1,000 to 1,250
Class V	10 to 25	Class XIII	1,250 to 1,500
Class VI	25 to 50	Class XIV	1,500 to 2,000
Class VII	50 to 100	Class XV	Greater than 2,000
Class VIII	100 to 250		

Cyber Liability Information

CYBER THIRD PARTY LIABILITY

Technology E&O – covers defense costs and damages resulting from a failure of technology services or products.

Miscellaneous Professional Liability – covers defense costs and damages in the event of a negligent act, error or omission in the performance of professional services for others.

Media Liability – covers defense costs and damages for any errors or omissions of media content that results in infringement of copyright, plagiarism, invasion of privacy, and defamation.

Employed Lawyers' Liability – covers defense costs and damages for legal malpractice in the execution corporate legal work.

Security Liability – covers defense costs and damages in the event there is a failure of the security of a computer system, or failure to comply with any statutes that require notice of unauthorized access by others of confidential information.

Privacy Liability – covers defense costs and damages in the event that there is a failure to protect confidential information, failure to disclose an event in accordance with applicable laws, failure to comply with a formal privacy policy, or violation of any statutes.

Regulatory Proceedings – covers defense costs in the event of an investigation by a governmental entity. Regulatory fines and penalties are covered by some carriers, but only where insurable by law.

Payment Card Industry – Data Security Standards (PCI-DSS) – covers fines or penalties from a Payment Card Association (e.g. MasterCard, Visa, American Express) or a bank processing payment card transactions in connection with an Insured's lack of compliance with PCI standards.

This is a brief overview of coverages that are typically available on a modular form. Not all coverages apply to every risk.

CYBER FIRST PARTY COVERAGES

Privacy Event Expenses – an insured’s first line of defense that provides event response services to investigate and remediate a breach. Covered costs include:

- Legal Consultations
- Forensic Expenses
- Notification Expenses
- Credit Monitoring and Remediation
- Public Relations
- Consumer Call Centers

Cyber Extortion – covers investigative expenses in the event of a threat and extortion payments are made to remedy the threat. Most carriers’ forms are “consent to settle,” meaning the insured and the insurer must agree to make an extortion payment.

Business Interruption – reimburses for income lost and extra expenses incurred in the event of a breach. This coverage part is triggered by a breach, and is subject to a 6-24 hour waiting period. Some policies include broader coverage for contingent business interruption and system failure, but are often heavily sub-limited.

Digital Asset Protection – reimburses for costs to restore or repair lost data in the event of a breach and to determine what data cannot be restored, recollected or recreated.

Criminal Reward – provides a reward payment to a whistleblower that reveals criminal activity leading to a breach (available after final adjudication).

Social Engineering – coverage for a direct financial loss resulting from a fraud instruction from a vendor, client, or employee.

This is a brief overview of coverages that are typically available on a modular form. Not all coverages apply to every risk. Please review your quote and/or policy for exact terms, conditions, exclusions and endorsements.



weaver

Assurance • Tax • Advisory



Proposal for External Audit Services

Employees' Retirement Fund of the City of Dallas
December 8, 2020

Team in Attendance Today



Sara Dempsey, CPA
Partner-in-Charge,
Government
Services



- ▶ **17+ years** of public accounting experience
- ▶ Serves on the **AICPA State and Local Government Expert Panel**, Special Review Committee for the GFOA, and **the Financial Reporting and Regulatory Response Committee** of the GFOA of Texas
- ▶ Representative clients include cities of Irving, Garland, Plano, Denton, Rowlett, University Park, and Allen, as well as GASB 87 implementation for the cities of Houston and Fort Worth

Aracely Rios, CPA
Partner, Employee
Benefit Plan
Services



- ▶ **18+ years** of public accounting experience
- ▶ Plans and supervises varying plan audits, including defined contribution, defined benefit plans (e.g. governmental benefit plans), master trust investment accounts (e.g. auditing and verifying valuation of alternative investments)
- ▶ Clients have included City of Plano Retirement Security and Section 115 Plans, City of Irving Supplemental Benefit Plan and numerous other employee benefit plans for government entities

Jeff Wada, CPA
Manager, Employee
Benefit Plan Audits



- ▶ **7 years** of public accounting experience
- ▶ Member of the **TXCPA**
- ▶ Clients have included City of Plano Retirement Security and Section 115 Plans, City of Irving Supplemental Benefit Plan and numerous other employee benefit plans for government entities

Meet Weaver



At Weaver, there are no “one-size-fits-all” solutions. We combine leading technical knowledge with specific industry experience to provide highly customized services tailored to each client’s needs.



35

Top 35 Firm nationwide

Best of the Best Firms (2019)



A Worldwide Alliance of Independent Accounting Firms



200+

Government audit clients annually

50+

Cities & towns

100+

Local/regional entities

50+

School districts

100+

Entities receiving a single audit

50+

GFOA award recipients



200+

North Texas employees dedicated to government audits



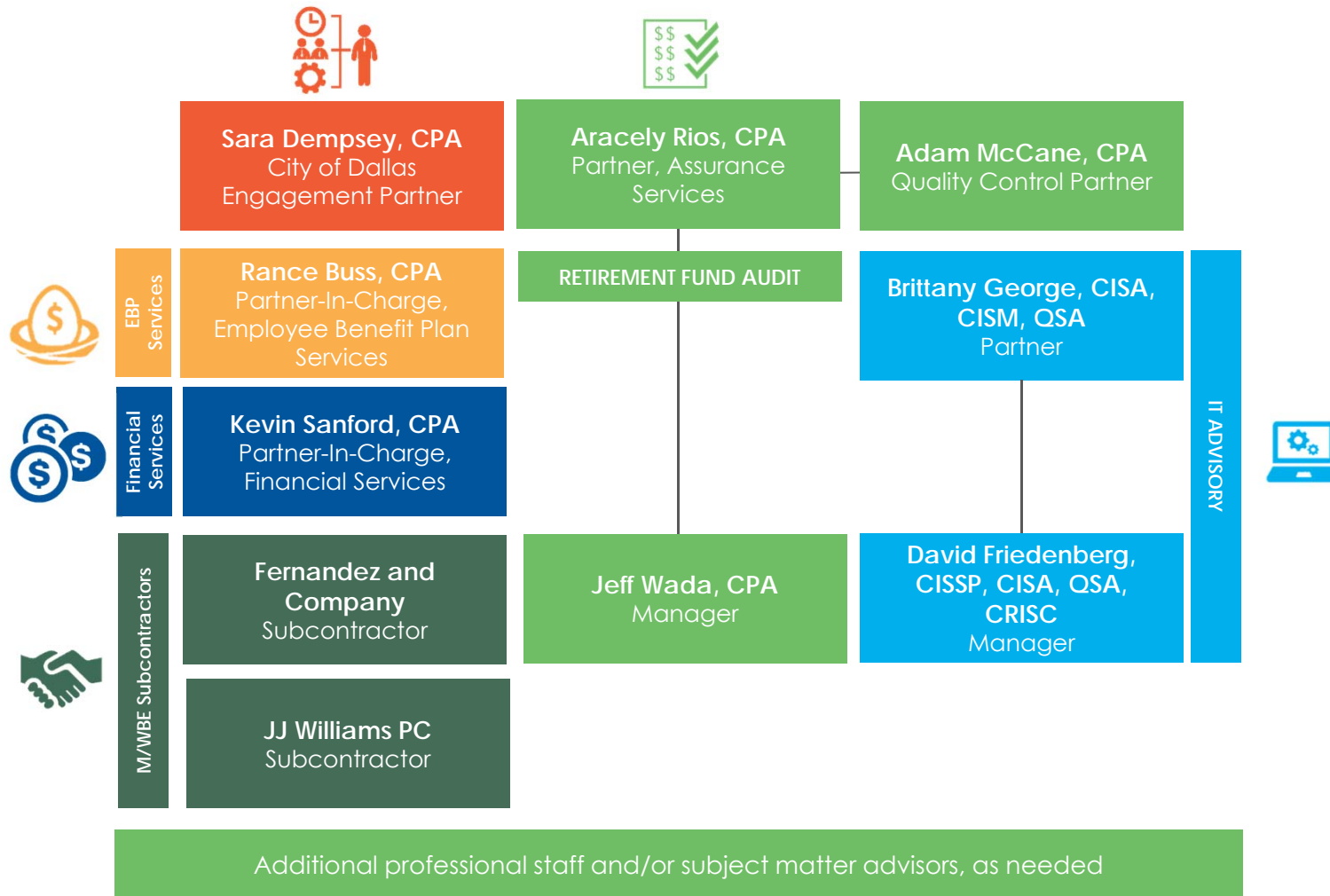
12 OF THE TOP **25**

Largest cities in Texas

Clients

Dallas ISD, City of Houston, City of Fort Worth, City of Austin, City of Plano, City of Irving, City of Garland, Texas Water Development Board, Trinity River Authority, Lower Colorado River Authority

Team Leadership



In addition to meeting with you on a regular basis throughout the engagement to address questions and provide technical updates, your local Dallas-based engagement partner will be available to you from day one and throughout the year to answer questions as needed.

Accuracy

RESULTS YOU CAN RELY ON



Attention to quality and multiple quality-assurance processes are built into every Weaver audit project from inception.



Our Team



Our professionals understand that our commitment to quality requires thoughtful planning, attentive follow-through and attention to detail.

Aracely Rios will provide overall guidance, direction and coordination for all aspects of each engagement. She is also responsible for ensuring open and frequent communication is maintained throughout the audit and after.

Adam McCane will provide technical guidance, as necessary, and will conduct the quality control reviews.

Our Tools and Process



We use automated error-checking tools when appropriate.



We emphasize thoughtful management review and oversight to ensure excellent quality audit work.

Communication

ENSURING AN AUDIT WITH NO SURPRISES



We typically find that the largest cause of audit delays is a breakdown in communication. To avoid surprise and minimize issues, our communication plan is inclusive and frequent.

Throughout the engagement — and throughout our entire relationship with you — Weaver will remain in close, continuous communication with your management team.



Communication

ENSURING AN AUDIT WITH NO SURPRISES



Typical Communications

- ▶ Initial planning to confirm your expectations, establish milestones, and discuss unusual transactions and implementation of new standards
- ▶ Entrance and exit conferences at the beginning and conclusion of each audit
- ▶ Weekly progress meetings during fieldwork to discuss work in progress and open items
- ▶ Weekly progress meetings after fieldwork to address outstanding items such as outstanding audited investment reports and actuary reports
- ▶ Same day responses to your questions

Customized to Your Preferences



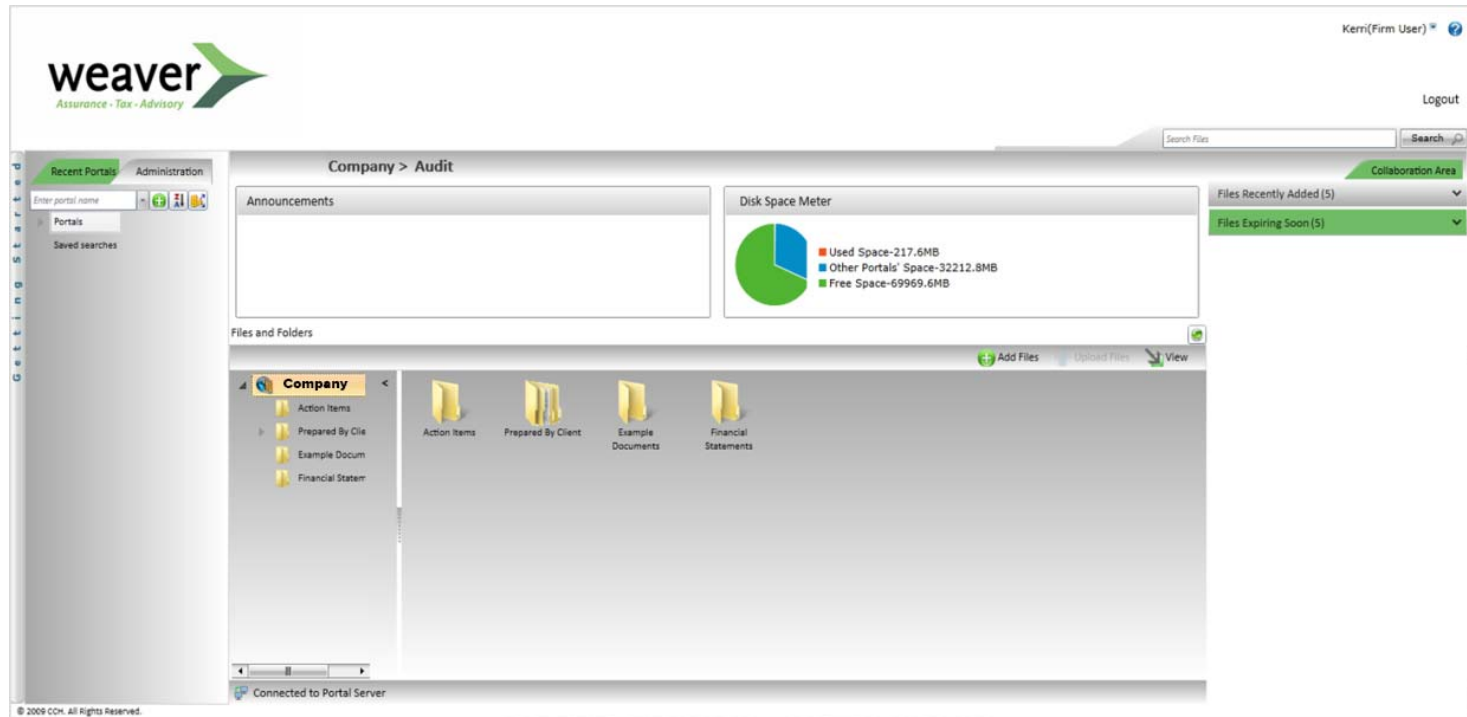
- ▶ In-person or virtual meetings
- ▶ Email
- ▶ Telephone



We'll direct our communications per your request: either centrally routed or directed to departments.

Communication

A SECURE ENVIRONMENT FOR SHARING



As our client, you will have access to our secure portal system, which allows our team and yours to collaborate and share files with instant, secure access.

Communication

SAMPLE PROGRESS REPORT



Prepared for: **Employees' Retirement Fund of the City of Dallas**

		Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8
Reference	Area:								
	Planning / Interim Testing								
2200-2300	Planning & Documentation	3	4	7	7	7	7	7	7
2350	Board Minutes	2	3	7	7	7	7	7	7
2400	Evaluating Internal Controls - walkthroughs	3	5	7	7	7	7	7	7
2500-2600	Assessing Risk, Attorney Letters & Confirms	2	3	3	3	3	3	6	7
2800	JE Testing & Audit Programs	0	2	3	4	5	6	7	7
	Substantive								
4100	Cash & Cash Equivalents	1	4	7	7	7	7	7	7
4200	Investments	0	2	2	3	5	6	7	7
4300	Contributions Received & Receivable	0	3	2	4	5	6	7	7
4400	Participant Data & Benefit Obligations	0	3	2	5	5	6	7	7
4600	Benefit Payments	0	3	2	3	6	7	7	7
4700	Other Assets, Liabilities & Operating Expenses	1	2	2	3	6	7	7	7
	Reporting								
	Footnote Tie-outs	0	0	0	0	0	0	5	7
	Statement Tie-outs	0	0	0	0	0	0	5	7
	MD&A Tie-outs	0	0	0	0	0	0	5	7
	Transmittal Letter Tie-outs	0	0	0	0	0	0	5	7
	Statistical Tie-outs	0	0	0	0	0	0	5	7

Key Dates	Draft financial statement	Report issuance	Presentation
	May 2021	June 2021	June 2021

Legend			
	Detailed View	Client Summary Tab View	Pie Chart
NS	0 Not Started	Not started	open
Staff Work	1 Made Selections & Work In Progress	Staff Work Progressing	quarter
	2 50% or More Completed	Staff Work Progressing	half
Attn	3 Missing a few Items; Need Client Attn	Staff Work in Progress; Client Attention Needed	half
Reviews	4 Completed by Staff and Ready for Review	Reviews in Progress	half
	5 1st Review in Process	Reviews in Progress	three quarters
	6 2nd Review in Process	Reviews in Progress	three quarters
Done	7 Item Completed	Item Completed	full

Future Challenges

LATEST RULES AND STANDARDS



Staying at the Forefront



Weaver stays at the forefront of accounting standards updates and regulatory changes through active participation in key standards-setting bodies.



We also keep you informed through onsite training, regular meetings, newsletters, blogs and technical insights.

An Adaptable Audit



Whatever the future holds in response to COVID-19 or other emergencies, Weaver can perform efficient audits and advisory services. We've demonstrated that our remote working technology and management practices give us the ability to complete audits on time, even when client offices are closed and staff are scattered, working remotely.



Our robust communication and quality assurance processes enabled us to master a challenging season and prepared us to be as flexible as needed for future audits.

Why Weaver?

KEY ELEMENTS OF OUR APPROACH



Tailored to your needs

We use our decades of experience to **tailor** our approach to your needs, resources, budgets and **long-term goals**.



Fresh perspectives and new insights

Familiarity can be good, but sometimes a little distance provides valuable perspective. We offer a **fresh audit approach** and will constantly look for ways to increase efficiency and reduce the burden on the City's management team.



There when you need us

Weaver's local management will truly provide the **year-round, personalized attention** you deserve, with **hands-on partner engagement** from initial planning through presentation of the final reports.

EXPERIENCE

WHAT OUR CLIENTS SAY



“Weaver has stable audit team and [is] always willing to take the time to discuss our concerns and respond to our questions, making our business relationship effortless and pleasant.”

- Jezel G. Bailey, CPA, CGFO, Financial Reporting Manager, City of Fort Worth

“As CFO with more than 40 years of municipal experience, I find Weaver is extremely knowledgeable in governmental finance and bring me comfort that our books have been adequately audited (helps me sleep at night).”

- Jeff Litchfield, CFO, City of Irving

“The firm’s financial auditors are experienced, well-prepared, knowledgeable of generally accepted auditing standards and government Auditing Standards, efficient and responsive to our concerns. They meet their deadlines and provide valuable suggestions to help us improve our processes.”

- Kathryn Ritchie, Controller, City of Garland

“I have worked with Weaver since 2015...As the length of our relationship indicates, we continue to be pleased with the quality of services Weaver provides.”

- Sarbani Majumdar, CPA, CTSBS, Director, Accounting Services, DISD

Let's Connect



@weavercpas

facebook.com/weavercpas

linkedin.com/company/weavercpas

youtube.com/weavercpas

Insights blog – weaver.com

COVID-19 Resilience and Recovery Resource Center

<https://weaver.com/services/resilience-and-recovery-resources>



QUESTIONS?

Aracely Rios, CPA

Partner

972.448.6925

aracely.rios@weaver.com



December 8, 2020

Ms. Cheryl Alston
Executive Director
Employees' Retirement Fund of the City of Dallas
1920 McKinney Avenue, 10th Floor
Dallas, Texas 75201

Mr. Henry Talavera
Chair, Board of Trustees
1920 McKinney Avenue, 10th Floor
Dallas, Texas 75201

Dear Ms. Alston and Mr. Talavera:

You have requested that Weaver and Tidwell, L.L.P. ("Weaver", "our", "us", and "we") audit the fiduciary net position of Employees' Retirement Fund of the City of Dallas (the "Plan"), as of December 31, 2020, and for the year then ended and the related notes to the financial statements, which collectively comprise the Plan's basic financial statements as listed in the table of contents.

Accounting principles generally accepted in the United States of America ("U.S. GAAP"), as promulgated by the Governmental Accounting Standards Board ("GASB") require that management's discussion and analysis, among other items, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by GASB, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information ("RSI") in accordance with auditing standards generally accepted in the United States of America ("U.S. GAAS"). These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by U.S. GAAP. This RSI will be subjected to certain limited procedures but will not be audited:

1. Management's Discussion and Analysis
2. Schedule of Changes in Net Pension Liability and Related Ratios
3. Schedule of Money-Weighted Rates of Return
4. Schedule of the Net Pension Liability
5. Schedule of Contributions

Supplementary information other than RSI will accompany the Plan's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and perform certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and additional procedures in accordance with U.S. GAAS. We intend to provide an opinion on the following supplementary information in relation to the financial statements as a whole:

1. Schedule of Administrative Expenses
2. Schedule of Investment Expenses
3. Schedule of Payments for Professional Services

Page 2 of 8

Also, the document we submit to you will include the following other additional information that will not be subjected to the auditing procedures applied in our audit of the basic financial statements:

1. Introductory Section
2. Investment Section
3. Actuarial Section
4. Statistical Section

We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter.

Audit Objectives

The objectives of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material aspects, in conformity with U.S. GAAP and to report on the fairness of the supplementary information referred to above when considered in relation to the basic financial statements as a whole.

Auditor Responsibilities

We will conduct our audit in accordance with U.S. GAAS. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. If appropriate, our procedures will therefore include tests of documentary evidence that support the transactions recorded in the accounts, tests of the physical existence of assets, and direct confirmation of cash, investments, and certain other assets and liabilities by correspondence with creditors and financial institutions. As part of our audit process, we may request written representations from your attorneys, and they may bill you for responding. At the conclusion of our audit, we will also request certain written representations from you about the basic financial statements and related matters.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements (whether caused by errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations) may not be detected exists, even though the audit is properly planned and performed in accordance with U.S. GAAS.

Page 3 of 8

In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

In making our risk assessments, we consider internal control relevant to the Plan's preparation and fair presentation of the basic financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the basic financial statements that we have identified during the audit.

During the course of the audit we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

Ms. Aracely Rios is the engagement partner for the audit services specified in this letter, and is responsible for supervising our services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

We may from time to time, and depending on the circumstances, use third-party service providers in performing this engagement. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service provider.

We expect to begin our audit procedures in April 2021, and issue our report in June 2021. We will issue a written report upon completion of our audit of the Plan's basic financial statements. Our report will be addressed to the Governing Body of the Plan. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement. If our opinions on the financial statements or compliance are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or withdraw from this engagement.

As part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we will perform tests of the Plan's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Management Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

- a. for the preparation and fair presentation of the basic financial statements in accordance with the framework described in Audit Objective above;
- b. for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements; and
- c. to provide us with:
 - i. access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation, and other matters;
 - ii. additional information that we may request from management for the purpose of the audit; and
 - iii. unrestricted access to persons within the Plan from whom we determine it necessary to obtain audit evidence.
- d. for including the auditor's report, and our report on any supplementary information if described above, in any document containing the basic financial statements that indicates that such financial statements have been audited by the Plan's auditor;
- e. for identifying and ensuring that the Plan complies with the laws and regulations applicable to its activities;
- f. for adjusting the basic financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year under audit are immaterial, both individually and in the aggregate, to the basic financial statements as a whole;
- g. for maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;

- h. with regard to the supplementary information referred to above: (a) for the preparation of the supplementary information in accordance with the applicable criteria; (b) to provide us with the appropriate written representations regarding supplementary information; (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) to present the supplementary information with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon; and
- i. informing us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the basic financial statements are issued.

We understand that your employees will prepare all confirmations we request and will locate any documents or support for any other transactions we select for testing.

If we agree herein or otherwise to perform any non-attest services (such as tax services or any other non-attest services), you agree to assume all management responsibilities for those services; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

During the course of our engagement, we will request information and explanations from management regarding the Plan's operations, internal controls, future plans, specific transactions and accounting systems and procedures. At the conclusion of our engagement, we will require, as a precondition to the issuance of our report, that management provide certain representations in a written representation letter. The Plan agrees that as a condition of our engagement to perform an audit that management will, to the best of its knowledge and belief, be truthful, accurate and complete in all representations made to us during the course of the audit and in the written representation letter. The procedures we perform in our engagement and the conclusions we reach as a basis for our report will be heavily influenced by the written and oral representations that we receive from management. False or misleading representations could cause us to expend unnecessary efforts in the audit; or, worse, could cause a material error or a fraud to go undetected by our procedures.

Fees and Invoicing

We estimate that the fee for this engagement will be \$46,500. The fee estimate is based on anticipated cooperation from all involved and the assumption that unexpected circumstances will not be encountered during the engagement. This is only an estimate and the fee for these services will be determined by the complexity of the work performed and the tasks required. If significant additional time is necessary, we will discuss the reasons with you and arrive at a new fee estimate before we incur the additional costs. It is understood that neither our fees nor the payment thereof will be contingent upon the results of this engagement.

Page 6 of 8

Our engagement fees do not include consulting on the adoption of new accounting standards and any future increased duties because of any regulatory body, auditing standard or an unknown or unplanned significant transaction. We will consult with you in the event any of these take place that may affect our fees.

Our engagement fees also do not include time and expenses we may incur related to testimony or production of documents in response to any subpoena related to our engagement in a matter in which we are not a party. Charges for time and expenses we incur responding to such requests (including our out-of-pocket expenses such as attorney's fees) will be billed separately and may be the subject of a new engagement letter.

Our invoices for this engagement will be rendered each month as work progresses. Payment is due in compliance with Texas Local Government Code.

Ethical Conflict Resolution

In the unlikely event that circumstances occur which we in our sole discretion believe could create a conflict with either the ethical standards of our firm or the ethical standards of our profession in continuing our engagement, we may suspend our services until a satisfactory resolution can be achieved. We will notify you of such conflict as soon as practicable, and will discuss with you any possible means of resolving them prior to suspending our services.

The hiring of or potential employment discussions with any of our personnel could impair our independence. Accordingly, you agree to inform the engagement partner prior to any such potential employment discussions taking place.

Audit Documentation and Confidentiality

The audit documentation we prepare pertaining to and in support of this engagement, along with any resulting work product, is our property and constitutes confidential information. If we are requested to make the documentation available to regulators, government agencies, peer reviewers, or other outside parties, we will notify you before producing any documents in response to the request (unless prohibited by law or direction of law enforcement). Those outside parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies. Access will be provided if required or authorized by law or regulation, or we will otherwise comply with any requirement for your notification and consent prior to disclosure.

We will retain our audit documentation for a period of at least seven years from the date of our report. You agree that following such period, we may destroy the audit documentation without notice to you.

During the course of the engagement, we may communicate via fax, email, or other electronic mechanism. Please be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Dispute Resolution Procedure including Jury Waiver

Any dispute between the parties arising from or relating to this engagement or engagement letter shall, if negotiations and other discussions fail, be first submitted to mediation before resorting to litigation. The parties agree to conduct any mediation in good faith and make reasonable efforts to resolve any dispute by mediation. If the parties are unable to agree upon a mediator, either party may invoke the mediation service of the American Arbitration Association (AAA) in accordance with the provisions of the Commercial Mediation Procedures then in effect. The parties agree to conduct the mediation in Dallas, Texas or another mutually agreed upon location, and each party shall bear its own expenses, including attorney's fees and costs, except for the fees of the mediator which shall be borne equally by the parties.

Each party hereby irrevocably waives any right it may have to trial by jury in any proceeding arising out of or relating to this engagement or this engagement letter.

Whenever possible, this engagement letter shall be interpreted in such a manner as to be effective and valid under applicable laws, regulations, or published interpretation, but if any term of this engagement letter is declared illegal, unenforceable, or unconscionable, that term shall be severed or modified and the remaining terms of the engagement letter shall remain in force. The parties agree that the court should modify any term declared to be illegal, unenforceable, or unconscionable in a manner that will retain the intended term as closely as possible.

If because of a change in status or due to any other reason, any provision in this engagement letter would be prohibited by, or would impair our independence under laws, regulations or published interpretations by governmental bodies, professional organizations or other regulatory agencies, such provision shall, to that extent, be of no further force and effect and this agreement shall consist of the remaining portions.

Miscellaneous

In accordance with the requirements of *Government Auditing Standards*, we have attached a copy of the latest external peer review report of our firm for your consideration and files.

We may at times provide you with documents marked as drafts. You understand that those documents are for your review purposes only. You should not or rely upon those documents in any way.

Although the engagement partner responsible for this engagement is a licensed certified public accountant, we inform you that we have nonlicensees who may provide services pertaining to this engagement.

If you intend to publish or otherwise reproduce the financial statements in any document and make reference to our firm or include our report or any portion of it, and that document is assembled differently from any paper or electronic version that we may have assembled and provided to you, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our written approval before it is distributed. If, in our professional judgment, the circumstances require, we may withhold our approval.

Ms. Cheryl Alston and Mr. Henry Talavera
Employees' Retirement Fund of the City of Dallas
December 8, 2020

Page 8 of 8

Unless we provide you with written consent in advance of such use, the audited financial statements and our report are not intended to and should not be provided or otherwise made available for use in connection with the sale of debt or other securities. If, in our professional judgment, the circumstances require, we may withhold our consent.

This engagement letter sets forth all of the agreed upon terms and conditions of our engagement with respect to the matters covered herein, and supersedes any that may have come before. This engagement letter may not be amended or modified except by further writing signed by all the parties.

We appreciate the opportunity to assist you and look forward to working with you and your team.

Sincerely,

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas

Please sign and return a copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our engagement as described herein, including each party's respective responsibilities. By signing below, the signatory also represents that they have been authorized to execute this agreement.

Employees' Retirement Fund of the City of Dallas

By: _____

Printed Name: _____

Title: _____

Date: _____



Employees' Retirement Fund
of the City of DALLAS ®



ERF PENSION IMAGING SOFTWARE RFP RESULTS AND RECOMMENDATIONS

December 8, 2020



EMPLOYEES' RETIREMENT FUND OF THE CITY OF DALLAS

End-of-Life Milestones and Dates for the Laserfiche Oracle Support

Milestone	Definition	Date
End-of-Life Announcement Date	The date the document that announces the end-of-sale and end-of-life of a product.	May 1, 2019
End-of-Sale Date	Laserfiche will no longer accept sales orders of the product after this date.	November 1, 2019
End of Software Maintenance Date	After this date, Laserfiche will no longer develop, repair, maintain, or test the product software. Limited technical support for customers who remain on LSAP begins at this date.	May 1, 2020
End of Technical Support	The last date to receive limited technical support for the product. After this date, all support services for the product are unavailable, and the product becomes obsolete.	May 1, 2021

Laserfiche Functionality



Laserfiche offers dynamic features that allow ERF staff the ability to manage documentation for Board meetings, especially members' documents both onsite and with remote access.

ERF's Imaging Software History

- ❑ In 2006, ERF conducted an RFP and contracted with DocuNav Solution, a Laserfiche consultant, to install the Laserfiche software and provide an implementation plan.
- ❑ Laserfiche offers dynamic features that allows ERF staff the ability to manage documentation for Board meetings, especially members' documents both onsite and with remote access.
- ❑ In 2013, DocuNav Solutions provided an upgrade to the ERF imaging software system and offered a one-year maintenance agreement
- ❑ Staff recommended a Pension Accounting System RFP to the Board in 2017 and in January 2018 the Board approved Vitech as the new provider.
- ❑ ERF planned to integrate Laserfiche with the Vitech System as a requirement.
- ❑ In 2019, Laserfiche's announced its plan to eliminate support of oracle which is the primary platform used by ERF.
- ❑ In July 2020, ERF implemented the new pension accounting system -Vitech (V3).
- ❑ Staff presented the Laserfiche decision to eliminate the Oracle platform at the September 2020 Board meeting. The estimated cost to replace Laserfiche was included in the ERF 2020/21 Budget - Special Project Phase 2.
- ❑ Most imaging software companies partner with consulting firms to implement their software. Vitech has current implementation strategies with KOFAX and KODAK software.

Imaging Software Schedule

Imaging Software RFP

The Employees' Retirement Fund of the City of Dallas ("ERF" or the "Fund") issued a Request For Proposals ("RFP") from vendors that can provide replacement software for the existing Laserfiche (imaging software).

RFP Milestone	Date(s)
Board approved the FY20/21 budget which included the cost of the Phase II project	August 18, 2020
Presented the Vitech GOLIVE Results including the End-of-Life Milestones of Laserfiche	September 8, 2020
RFP publication release	October 28, 2020
Deadline to submit RFP questions	November 2, 2020
Answers from ERF to be published	November 3, 2020
Proposals due via electronic submission (ERF Portal)	November 13, 2020
Hardcopy proposal submission (5 copies, 1 unbound and an electronic copy through the ERF portal)	November 13, 2020
Video due diligence interviews targeted the week of	November 16, 2020
Vendor's Best and Final Offers were submitted	November 23, 2020
Board reviews staff recommendation for approval , pending legal	December 8, 2020
Proposed Contract term begins	December 9, 2020

Evaluation Scores for Bidders

Criteria for Software and Implementation Bidders	Maximum Possible Points
Knowledge and Experience and Past Performance in Related Field.	20 pts
Qualification of Key Personnel	15 pts
Implementation Approach Using Kofax	15 pts
Functionality Capabilities (Software)	15 pts
Cost	20 pts
Diversity	15 pts
Total Score	100

Targeted Vendors for Imaging RFP

Vendor	Type
Kofax	Software
Kodak	Software
Abby Software	Software
Ephesoft	Software
IBM	Consulting/Software
User Friendly Consulting	Consulting
Zia Consulting	Consulting
Shamrock Solutions	Consulting
iBridge Group	Consulting

ERF received two proposals on November 13, 2020

iBridge Group, based in Texas

ImageTech System, based in Pennsylvania

iBridge Group Profile

iBridge Group provides governments and businesses alike with the latest technology, the most efficient processes, and a full-spectrum of services to reduce paperwork, accelerate decision-making, and ensure regulatory compliance.

iBridge clients include several Employee Retirement Systems including:

1. Texas County & District Retirement Systems;
2. Texas Municipal Retirement Systems;
3. Louisiana State Employees' Retirement System; and
4. Retirement Systems of Alabama.

iBridge is a member of the statewide Historically Underutilized Business Program that facilitates the use of HUBs in state procurement and provides information on the state's procurement process to minority and woman-owned businesses.



CORPORATE HEADQUARTERS
iBridge Group, Inc.
8860 Business Park Drive, Suite 100
Austin, TX 78759

ImageTech System Profile

ImageTech Systems, Inc. is an Enterprise Content Management (“ECM”) Solution Provider that provides turn-key ECM solutions, systems integration, consulting and implementation services.

ImageTech was founded in 1994 with a focus on automating document-centric business processes including enterprise-scalable Document Management, Workflow, Document Capture, and Report Management, and Enterprise Content Integration solutions for numerous customers in the Banking and Financial Services, Insurance, State and Local Government, Manufacturing, among others.

ImageTech personnel have a number of industry and vendor specific certifications that are pertinent to the numerous ECM and workflow solutions we provide. In addition to staying current with technical education on all our supported products, our team members are:

- Certified Document Imaging Architects
- Kofax Certified Technical Solutions Specialists
- Microsoft Certified Technology Specialists for SharePoint
- IBM Certified Solutions Designers for Content Manager
- IBM Certified Solutions Experts for Content Manager OnDemand
- IBM FileNet P8 Certified



CORPORATE HEADQUARTERS

Rossmoyne Business Center
5040 Louise Drive, Suite 104
Mechanicsburg, PA 17055

Evaluation Results of Submitted Proposals

- ❑ There were five ERF staff who evaluated the RFP to include:
 - Chief Financial Officer
 - Chief Compliance Officer
 - Chief Technology Officer
 - Business Improvement Officer
 - Deputy Director

- ❑ Both vendors recommended Kofax as the software to replace Laserfiche and the staff agreed to the recommendation.

- ❑ Staff evaluated the two vendors using the established criteria and the results are listed below:

Vendor	Evaluation Score Results	Proposed One-Time Software Cost	Proposed Implementation & 4-Year Maintenance Cost	Proposed 5-Year Agreement
iBridge Group	93.4 pts	\$ 28,575	\$ 248,319	\$ 276,894
ImageTech System	73.6 pts	\$ 30,843	\$ 376,582	\$ 407,425

Imaging Software Schedule

Imaging Software RFP

The Employees' Retirement Fund of the City of Dallas ("ERF" or the "Fund") issued a Request For Proposals ("RFP") from vendors that can provide replacement software for the existing Laserfiche (imaging software).

RFP Milestone	Date(s)
Presented the Vitech GOLIVE Results including the End-of-Life Milestones of Laserfiche	September 8, 2020
RFP publication release	October 28, 2020
Deadline to submit RFP questions	November 2, 2020
Answers from ERF to be published	November 3, 2020
Proposals due via electronic submission (ERF Portal)	November 13, 2020
Hardcopy proposal submission (5 copies, 1 unbound and an electronic copy through the ERF portal)	November 13, 2020
Video due diligence interviews targeted the week of	November 16, 2020
Vendor's Best and Final Offers were submitted	November 23, 2020
Board reviews staff recommendation for approval , pending legal	December 8, 2020
Proposed Contract term begins	December 9, 2020

Recommendation

- ❑ Staff recommends the Board approve a contract with the iBridge Group for a five-year agreement including the purchase of the Kofax software.

Recommended Motion:

- ❑ Approve the Executive Director to establish a contract with the iBridge Group for a five-year implementation and maintenance agreement in the amount of \$276,894, pending legal review, and authorize the Board Chair to sign.

DISCUSSION SHEET

Employees' Retirement Fund Board of Trustees Meeting

December 8, 2020

- Issue:** Amendment Number 2 to the Gabriel Roeder Smith & Company (GRS) Amended Contract dated January 14, 2020 to extend the term of the agreement for the period January 1, 2021 through December 31, 2021 – Not to exceed \$52,294.
- Attachment:** Proposed Amendment Number 2
- Discussion:** GRS provides actuarial services to the Employees' Retirement Fund. GRS has agreed to extend the contract for one year from January 1, 2021 to December 31, 2021 for an annual fee of \$52,294.
- Recommendation:** Approve the proposed Amendment Number 2 and authorize the Board Chair to sign.

ADDENDUM TO CONTRACT

This Addendum shall amend and, to the extent of conflict, supersede the Contract between the Employees' Retirement Fund of the City of Dallas (the "Fund") dated December 8, 2015.

Section 1 Paragraph B shall be amended to read as follows:

Prepare and submit actuarial valuations, actuarial surveys, and reports as required by law (the "Actuarial Valuation Reports") and deliver them to the Board:

- (1) A completed 2020 Actuarial Valuation Report showing contribution requirements for 2021 on or before the 1st day of June 2021.

Section 9 shall be amended to read as follows:

The term of this contract shall be one (1) year, commencing on January 1, 2021 and ending on December 31, 2021.

Exhibit A shall be replaced with Exhibit A to this Addendum.

IN WITNESS WHEREOF, **GRS** and the Fund have executed the Addendum to the Contract effective December 8, 2020.

ATTEST:

EMPLOYEES' RETIREMENT FUND OF THE CITY OF DALLAS

By _____
Executive Director

By _____
Chair, Board of Trustees
Employees' Retirement Fund of the
City of Dallas

**APPROVED AS TO FORM:
LOCKE LORD LLP**

By _____
Stefan Smith, Partner
Locke Lord LLP

ATTEST:

GABRIEL, ROEDER, SMITH & COMPANY

By _____

By _____

Title _____

Title _____

EXHIBIT A

A. Base Fee

Base fee for the contract years shall be:

2021: \$52,294

The base fee may be increased annually by **GRS** by a percentage not to exceed the percentage increase calculated for retirees and beneficiaries of the Fund under Section 40A-28(b) of the Dallas City Code on December 31 of the previous year.

Base fee shall cover:

- annual actuarial valuation containing contribution and GASB 67 information;
- two normally scheduled meetings with the Board each year;
- all travel expenses associated with the two normally scheduled Board meetings; and
- telephone conversations raising questions that can be answered without additional calculations or extensive research.

B. Other Services

Other services for the contract years shall be (hourly rates):

	2021
Principal actuary	\$520
Support actuary	\$378
Other Professional Personnel	\$201- \$302
Administrative Support	\$155- \$181

Hourly charges for other services may be increased annually by **GRS** by a percentage not to exceed the percentage increase calculated for retirees and beneficiaries of the Fund under Section 40A-28(b) of the Dallas City Code on December 31 of the previous year. Such charges will not exceed the amounts **GRS** charges other similar clients.

C. Other Travel-related Expenses

Any additional travel-related expenses will be reimbursed by the Fund under the travel policy then in effect for members of its Board of Trustees. Prior approval of travel by the Board will not be required.

DISCUSSION SHEET

Employees' Retirement Fund Board of Trustees Meeting

December 8th, 2020

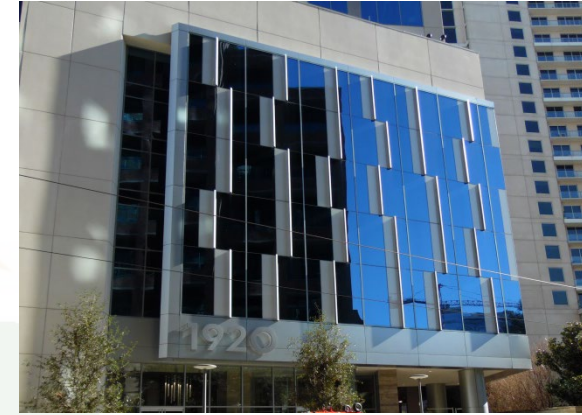
Issue: Smith Graham & Company

Attachments: None

Discussion: Smith Graham & Company is an ERF midcap equity investment manager with \$69 million currently under management for the Fund. Their returns have underperformed the benchmark (the Russell Midcap Index) for the 3-year period ending December 7th, 2020.

Staff recommendation is that Smith Graham be placed on watch for six months and re-evaluated at that time. ERF staff will conduct monthly reviews of investment performance during the six-month period.

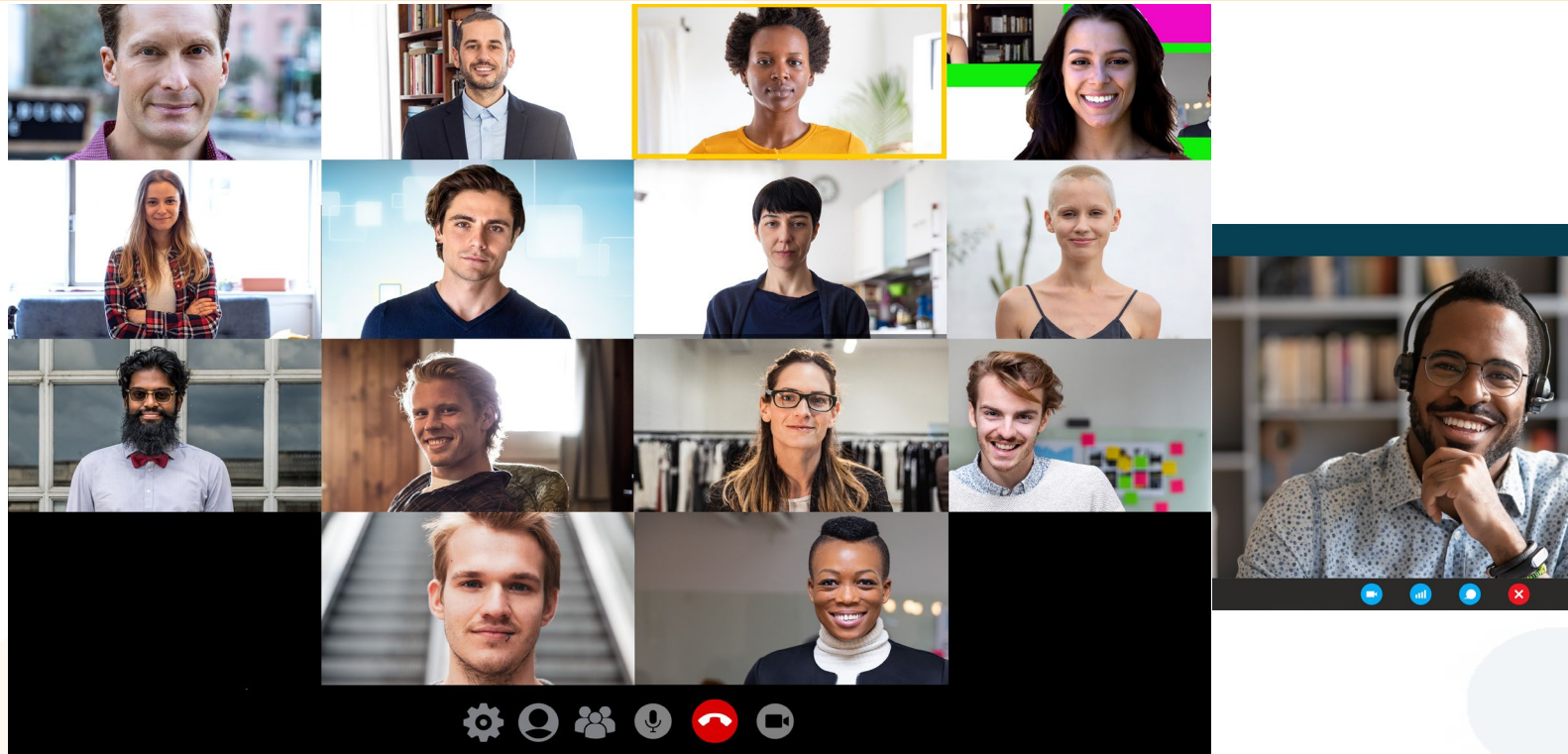
Recommendation: Suggested motion for the approval is as follows: Move to approve placing Smith Graham & Company on watch for six months.



PENSION EDUCATION DURING COVID-19

EMPLOYEES' RETIREMENT FUND OF THE CITY OF DALLAS

FROM IN PERSON MEETING TO VIRTUAL



Virtual Meetings

COVID-19 has made these types of meetings a reality for all of us. Employees find this a convenient way for getting pension information.

AVAILABLE WEBINARS

Five core webinars



Health Benefits



Social Security



Pension Benefits



Fidelity



Taxes in Retirement

These are the five most popular ERF webinars. We've also done webinars for the trustee election and instructional videos on the new secure member portal myERF.

WEBINAR ANALYTICS

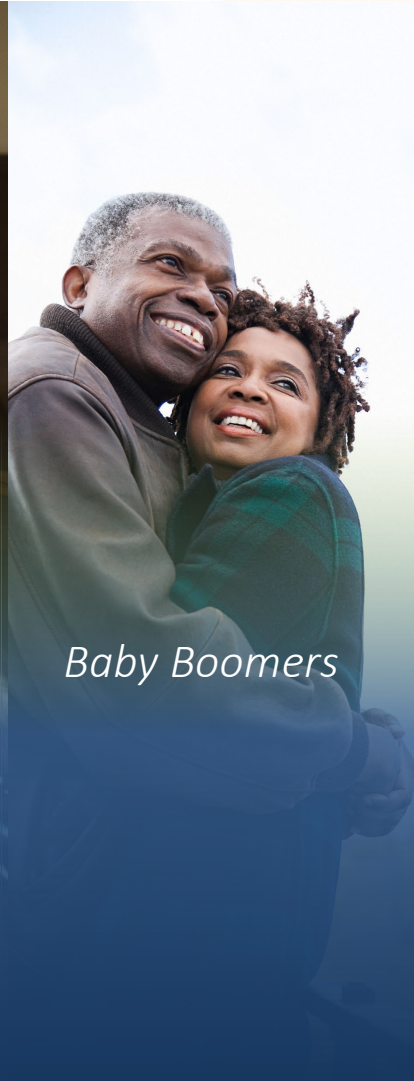
Webinar Title	Average Length of Class	Average Number of Attendees	Average Survey Response Rate	Average Attentiveness	Sessions / Total Attendees
Health Benefits	1 Hour 14 minutes	64	42%	69%	3 / 191
Social Security	1 Hour 50 Minutes	59	52%	74%	3 / 178
Fidelity	1 Hour 30 minutes	48	32%	58%	3 / 145
Pension Benefits	1 Hour	74	53%	75%	3 / 221
Taxes After Retirement	1 Hour	54	47%	67%	3 / 161
Trustee Election Forums	1 Hour 17 minutes	10	63%	73%	4 / 38
On Demand Views	All sessions are recorded and provided via email to those that registered but could not attend the live session. On demand views represent those that watched the recordings.				46 / 309
Total					1,243

COMMUNICATIONS STYLE DIFFER BY GENERATION

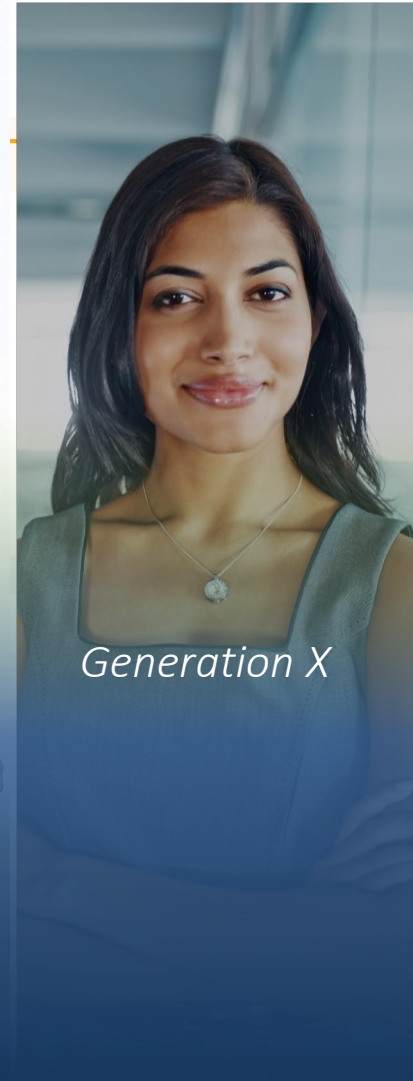
Generational
Communication
Styles



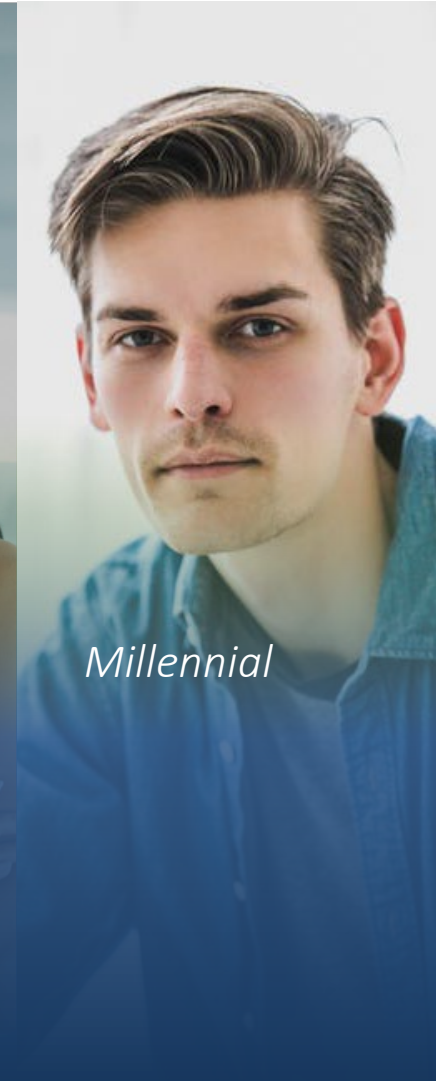
Silent Generation



Baby Boomers



Generation X



Millennial

FAVORITE FEATURES OF WEBINARS

Favorites of attendees and moderators

- Registration is required
- Reminders
- Certificate of Attendance
- Recording sent to attendees and non-attendees
- Branding
- Various analytics reports available
- Ability to edit recordings
- Ability to create polls
- Measure attentiveness

**Sample
Registration
Email**



Reminder - Registration Open for October Pre-Retirement Webinars!

Join us for October Pre-Retirement webinars! We have broken up the topics that we would have discussed in our in-person seminars so that you can tune in daily to different topics regarding your retirement.

You can register by selecting the register button for every class you would like to watch. Registering for one webinar will not register you for them all. View topics and registration below. You can also register for the webinars in your myERF account. If you can't attend the webinar at the scheduled time but would like to watch the webinar please still register and a recording will be sent to you.

Health Benefits After Retirement

City of Dallas Senior Benefits Specialist Norma Flores gets into the details of health insurance in retirement. You'll learn about retiree rates, eligibility, transitioning from active to retiree coverage and much more.

[Register for Health Benefits Webinar- October 6th | 11-1PM](#)



Other Webinars

- Trustee Election Forums
- myERF instructional videos
- Furloughed Employees
- Pension Overview

Future Webinars

- myERF for retirees
- myERF for employees
- 2021 ERF Webinar Schedule

COMMUNICATIONS STRATEGIC PLAN

01

Continue webinars until the second quarter of 2021 .



02

Add webinars that retirees are interested in attending like instructional webinars about myERF.



03

Increase outreach from 13% to 20%.



04

Provide on demand webinars as needed by the membership.



05

Determine in June 2021 if webinars should continue as a sole means of pension education or as a supplement to in person meetings.



What Can I Clarify?





2021 STRATEGIC PLAN

DECEMBER 8, 2020

EMPLOYEES' RETIREMENT FUND OF THE CITY OF DALLAS

ERF Mission, Guiding Principles and Core Values

» Mission – Provide retirement benefits and superior service to advance the financial security of its members

» Guiding Principles

- We are committed to excellence, quality and value in everything we do through the most effective use of our resources.
- We focus on the needs of our members and deliver consistent and timely information to our members about their retirement benefits.
- We are committed to public trust by being an ethical, sensitive, and cost efficient organization.
- We model best practices in our industry and innovate to achieve higher standards
- We continually evaluate our business processes to support a user friendly environment that improves member satisfaction.
- We support open communication.

» Core Values

The ERF Staff is committed to reflecting these core values in all we say and do:

- Fulfilling fiduciary responsibilities with the utmost integrity and accountability;
- Thinking independently, respecting individuality, and working as a team;
- Encouraging open communication and collaboration;
- Continuously expanding our knowledge; and
- In all endeavors, act in an ethical, honest, and professional manner.

2021 Themes



- People Connectivity
- Location Independence
- Resilient Delivery

Strategy Map

Member

Enhance services to members

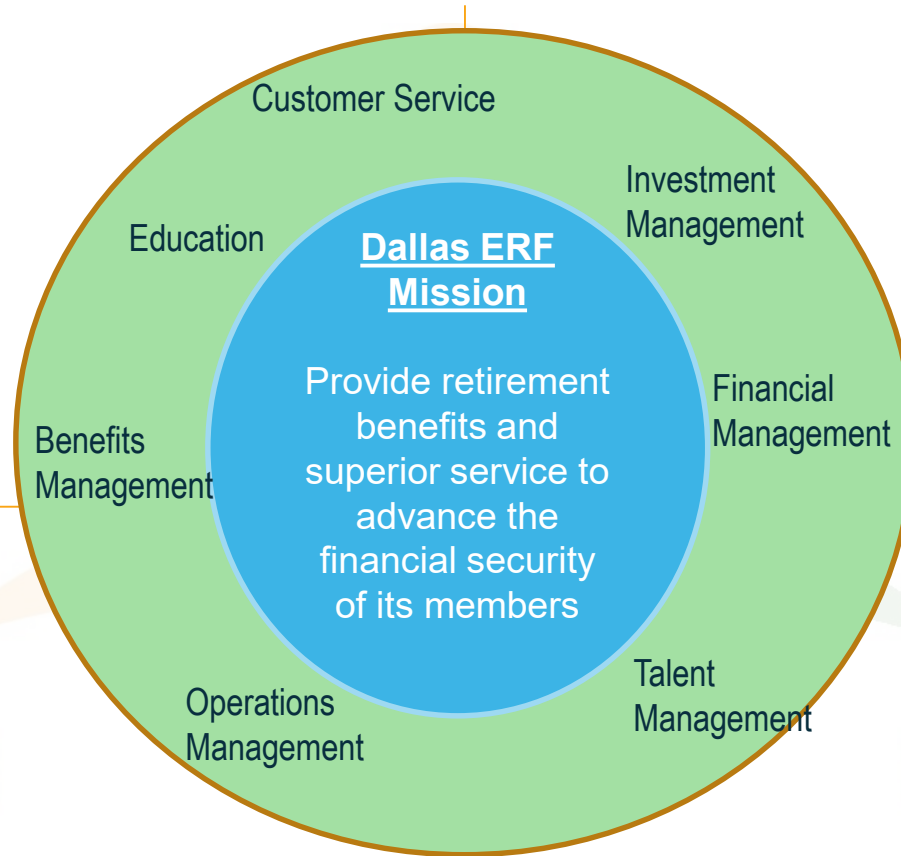


Financial
Ensure a financially sound retirement system



Business Transformation

Drive operational excellence



Workforce Transformation
Grow an engaged, highly skilled and diverse workforce

Strategic Plan – Business Objectives

The Employees' Retirement Fund of the City of Dallas focuses on seven key business objectives. They are the following:

- **Customer Service** - Provide high quality customer service and education that enables members to make informed and timely retirement decisions
- **Education** - Improve the accessibility to, quantity, and quality of member education programs
- **Benefits Management** - Administer benefit programs and business processes in an innovative, effective and efficient manner
- **Investment Management** - Maintain an investment management program that will provide funding for the benefit obligations of the Fund
- **Financial Management** - Develop and maintain financial and accounting processes that support ERF's business objectives and initiatives
- **Operations Management** - Develop and maintain a secure technology infrastructure and operations that will support ERF business objectives and initiatives
- **Talent Management** - Provide ERF staff with training in the skill sets, policies, and procedures that enables them to perform their respective functions

Customer Service

Provide High Quality Customer Service that Enables Members to make Informed and Timely Retirement Decisions

Initiative	Proposed Metric	Cost	Project Owner
Improve the customer service system to a real time reporting process for each business owner	Current rating is 97.3%. Goal – Maintain rating of 97%	Low	David
Improve the workflow of the records management system with the City’s HR department	100% of records obtained within 90 days	Low	David
Update policies with human resources to improve Lawson/Workday	Effective feed from the new system	Low	David
Update policies and procedures to use the new Vitech pension accounting system to improve member experience	Revise 100% of the procedures	Low	David
Expand opportunities to connect with our retirees virtually working with the DCREA	Create two events in 2020	Low	Melissa
Increase social media presence and content	Create 4-6 podcasts	Low	Melissa



Education

Improve the accessibility to, quantity and quality of member education programs

Initiatives	Project Manager(s)	Cost	Metric
Design 3 step two-hour certificate program for active members	Melissa	Low	Hold classes every quarter
Quarterly Newsletters for Active members and retirees and expand use of social media	Melissa	Low	New website launches in January 2021. Monitor usage and update periodically
Expand suite of member education programs including webinars and podcasts available on ERF website	Melissa	Low	Reach 100% of attendees
Enhance pre-retirement & financial planning class.	Melissa	Low	Hold 6 classes per year
Develop and execute employee survey after Vitech implementation	Melissa	Low	Complete survey to evaluate usage
Continue to enhance the summer sessions	David / Melissa	Low	Reach 10% of active members. Need to look at options to hold the meetings online

Benefits Administration

Administer benefit programs in an innovative, effective and efficient manner

Initiatives	Project Manager(s)	Cost	Metric
Vitech Imaging System Project	David/Duc	High	Multi-year project with a scheduled implementation of 2021
Develop Workflow Strategies that mirror or compare to best practice solutions for all benefits and administration operation	David	Medium	Benefit and Administration procedures are converted to Workflow Design based on best practice.
Update Enterprise Risk Assessment after Vitech implementation	David	Medium	Update enterprise risk assessment
Update compliance procedures	David	Low	Completed compliance document



Investment Management

Maintain an investment management program that will provide funding for the benefit obligations of the Fund

Initiatives	Project Manager	Cost	Metric
Conduct investment manager searches according to new asset allocation	Natalie	Low	Complete manager searches and successful portfolio transitions
Utilize enhanced risk management tools for both detailed portfolio analysis and risk management	Natalie	Medium	Enhance quantitative metrics and risk management analytics
Conduct quarterly conference calls with all investment managers; Manager Board presentations bi-monthly; Monitor managers on watch	Natalie	Low	Meet with 100% of managers 4x a year
Conduct due diligence on existing managers and examine new potential asset classes	Natalie	Low/ Medium	Conduct due diligence meetings on 1/3 rd of managers every year; examine other asset classes as per Board interest
Develop and execute Open Houses 2.0 for Next Generation Managers	Natalie	Low	Hold a minimum of two virtual Open Houses
Complete consultant search	Natalie	Low	Selection of investment consultant

Financial Management

Develop and maintain financial and accounting processes that support ERF's

Initiatives	Project Manager	Cost	Metric
Improve the year end audit and financial reporting process through collaboration with Weaver	Edward	Low	Complete audit within second quarter 2021
Evaluate current business processes to improve efficiency in the V3 system environment through the business improvement process team	Edward	Medium	Evaluate recommendations and implement Workflow Design in 2021
Communicate the benefits of Direct Deposit to retirees receiving a physical check, and research additional solutions	Edward	Low	Decrease in checks issued to retirees.
Identify system reports to be created or improved which result in communication and business process improvements	Edward	Medium	Design and implement reports



Operations Management

Develop and maintain a secure technology infrastructure and operations that will support ERF's business objectives and initiatives

Initiatives	Project Manager	Cost	Metric
Continuously strengthen processes and resources to secure the confidentiality and integrity of member data and information.	Duc	Medium	<ul style="list-style-type: none">Define security policies regarding PII identification, handling, and securing
Enhance cybersecurity policy	Duc	High	<ul style="list-style-type: none">Identify Email concerns as they occur, once City of Dallas issue is resolved (to the best of our abilities) we can address handling other email issues.
Vitech Imaging System Project	Duc	High	<ul style="list-style-type: none">To support Business/Vitech with IT operationsRebuild of Dallaserf.org to coincide with the replacement of V3's MSS product with the required interface.Laserfiche integration to provide the same or more functionality as VitechPlan V3 infrastructure and its various components placement within the current infrastructure.
Continue to improve remote business operations	Duc	Medium	<ul style="list-style-type: none">Refine and update remote access for business operation.
Continue to improve efficiency in IT functions	Duc	Medium	<ul style="list-style-type: none">Develop and generate system reports to reflect current systems security status.Develop relevant security materials for users and admins including training, tips, bulletins, documentation.

Talent Management

Provide ERF staff with training in the skill sets, policies and procedures that enables them to perform their respective functions

Initiatives	Project Manager(s)	Cost	Metric
Create individual development plans for all ERF employees	All Managers	Low	Completed plans for 100% of employees
Enhance cross-training and succession plan	All Managers	Low	1 – 2 people are cross trained for every function
Develop in-house training program	All Managers	Medium	Hold 3 – 5 training sessions
Hire and train additional staff	All Managers	High	Fill 100% of openings

Conclusion

Member

Enhance services to members



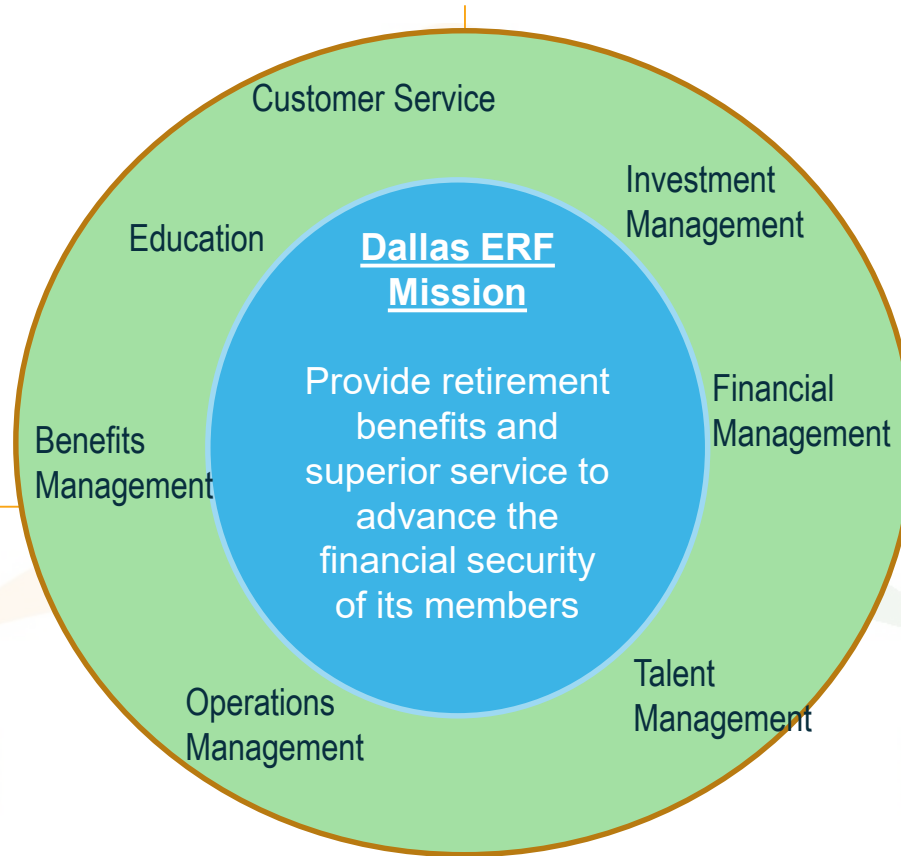
Financial

Ensure a financially sound retirement system



Workforce Transformation

Grow an engaged, highly skilled and diverse workforce



Business Transformation

Drive operational excellence

ASSET ALLOCATION COMPARISON

November 30, 2020

	Market Value	% of Total Fund	Allocation Policy	% Difference from Allocation	Prior Period Market Value	Prior Period % of Total Fund
EQUITY						
CHANNING CAPITAL	37,789,764.11	1.06			31,482,000.39	0.94
REDWOOD- SL	37,845,624.66	1.06			33,783,402.94	1.01
SYSTEMATIC	68,822,809.86	1.93			59,825,011.96	1.79
<i>Total Small Cap</i>	144,458,198.63	4.06			125,090,415.29	3.74
SMITH GRAHAM	69,251,849.77	1.95			59,307,204.05	1.77
T. ROWE PRICE	144,888,038.85	4.07			129,673,532.38	3.88
<i>Total Domestic/Enhanced equity</i>	214,139,888.62	6.02			188,980,736.43	5.65
NTGI S&P 500 EQUITY INDEX	146,040,725.70	4.10			131,631,978.49	3.94
<i>Total Index</i>	146,040,725.70	4.10			131,631,978.49	3.94
<i>Total Domestic</i>	504,638,812.95	14.18	12.50	1.68	445,703,130.21	13.34
ADELANTE CAPITAL	75,185,882.34	2.11			68,287,279.11	2.04
CENTERSQUARE-SL	76,135,532.55	2.14			68,379,471.69	2.05
<i>Total REITS</i>	151,321,414.89	4.25	2.50	1.75	136,666,750.80	4.09
HEITMAN	81,721,117.36	2.30			81,721,117.36	2.45
INVESCO	71,550,591.00	2.01			70,819,354.00	2.12
INVESCO - SL	68,702,236.35	1.93			68,702,236.35	2.06
VALUE ADD REAL ESTATE	-	0.00			-	0.00
<i>Total Real Estate</i>	221,973,944.71	6.24	7.50	-1.26	221,242,707.71	6.62
FAIRVIEW CAPITAL	46,077,269.00	1.30			44,148,556.00	1.32
GROSVENOR GCM - CFGI	131,728,196.00	3.70			135,740,587.00	4.06
HAMILTON LANE	80,978,416.00	2.28			78,218,776.00	2.34
<i>Total Private Equity</i>	258,783,881.00	7.27	7.50	-0.23	258,107,919.00	7.72
ACADIAN	110,930,877.33	3.12			99,348,813.41	2.97
AQR CAPITAL	126,890,774.52	3.57			113,036,148.04	3.38
ATIVO	37,261,145.10	1.05			33,585,572.11	1.00
BAILLIE GIFFORD	94,320,407.02	2.65			84,402,298.84	2.53
BLACKROCK ACW-EXUS-SL	0.62	0.00			0.62	0.00
EARNEST PARTNERS	89,647,057.11	2.52			75,552,198.01	2.26
GLOBAL TRANSITION ACCOUNT	940.39	0.00			940.39	0.00
<i>Total International</i>	459,051,202.09	12.90	12.50	0.40	405,925,971.42	12.15
ARIEL	108,386,963.43	3.05			100,719,317.64	3.01
NORTHERN TRUST INTL EQ ACWI INDEX	23,493,630.87	0.66			20,883,425.23	0.62
WELLINGTON MGMT	128,183,581.89	3.60			116,058,681.78	3.47
<i>Total Global Equity</i>	260,064,176.19	7.31	7.50	-0.19	237,661,424.65	7.11
ACADIAN-LVG	211,919,706.54	5.96			197,276,124.21	5.90
BLACKROCK	218,412,473.77	6.14			204,437,007.70	6.12
<i>Total Global Low Volatility Equity</i>	430,332,180.31	12.10	12.50	-0.40	401,713,131.91	12.02
ATLANTIC TRUST	62,886,602.39	1.77			52,471,626.93	1.57
HARVEST FUND	62,277,130.43	1.75			52,722,640.20	1.58
COHEN & STEERS	59,578,695.57	1.67			55,945,068.09	1.67
<i>Total Global Listed Infrastructure</i>	184,742,428.39	5.19	5.00	0.19	161,139,335.22	4.82
<i>Total Marketable Alternatives</i>	-	0.00	2.50	-2.50	-	0.00
TOTAL EQUITY	2,470,908,040.53	69.45	70.00	-0.55	2,268,160,370.92	67.87
FIXED INCOME						
ABERDEEN ASSET MGMT	223,018,666.07	6.27			219,738,830.12	6.57
GARCIA HAMILTON	67,929,705.69	1.91			67,334,488.01	2.01
SECURIAN ASSET MANAGEMENT	222,537,813.39	6.26			218,750,010.56	6.55
<i>Total Investment Grade</i>	513,486,185.15	14.43	15.00	-0.57	505,823,328.69	15.13
NEUBERGER BERMAN	175,270,689.72	4.93			170,419,251.09	5.10
<i>Total Opportunistic Credit</i>	175,270,689.72	4.93	5.00	-0.07	170,419,251.09	5.10
BLACKROCK-HY	176,104,787.75	4.95			170,340,548.24	5.10
OAKTREE	177,645,442.60	4.99			171,024,644.58	5.12
<i>Total High Yield</i>	353,750,230.35	9.94	10.00	-0.06	341,365,192.82	10.21
CASH ACCOUNT	44,228,049.61	1.24			56,391,762.37	1.69
<i>Total Short Term</i>	44,228,049.61	1.24	0.00	1.24	56,391,762.37	1.69
TOTAL FIXED INCOME	1,086,735,154.83	30.55	30.00	0.55	1,073,999,534.97	32.13

TOTAL FUND \$ 3,557,643,195.36

\$ 3,342,159,905.89

Market Value YE 2019 \$ 3,650,917,064.60

Market Value Variance

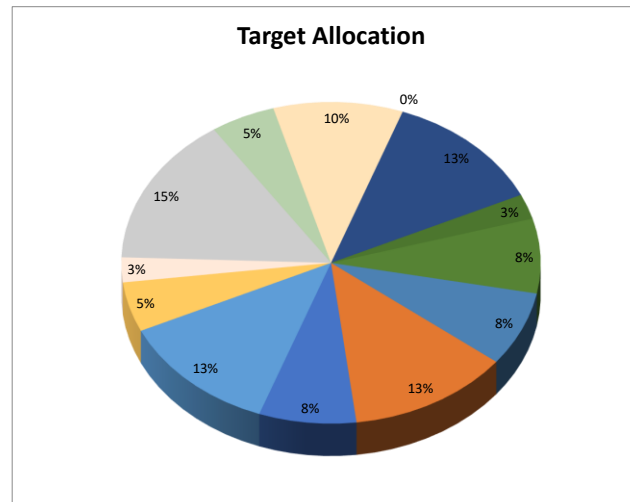
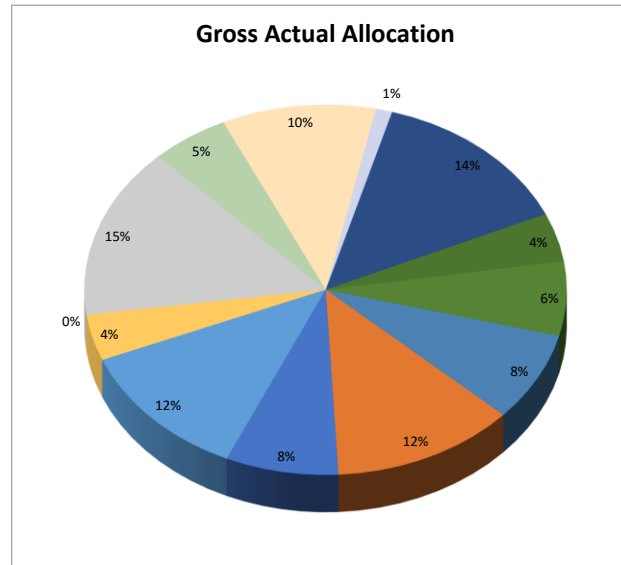
Change from YE 2019: \$ (93,273,869.24)

Change from prior month: \$ 215,483,289.47

Asset Allocation: Actual vs. Target

November 30, 2020

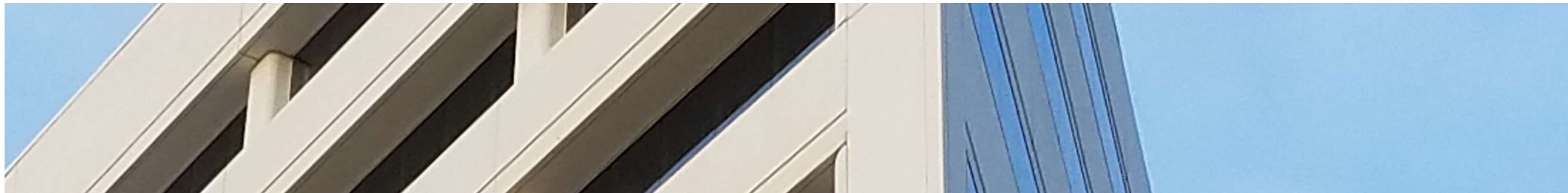
	Market Value	Gross Actual Allocation	Target Allocation	% Difference from Allocation
EQUITY				
CHANNING CAPITAL	37,789,764.11	1.06		
REDWOOD- SL	37,845,624.66	1.06		
SYSTEMATIC	68,822,809.86	1.93		
<i>Total Small Cap</i>	144,458,198.63	4.06		
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INVESCO	71,550,591.00	2.01		
INVESCO - SA	68,702,236.35	1.93		
VALUE ADD REAL ESTATE				
<i>Total Real Estate</i>	221,973,944.71	6.24	7.50	-1.26
FAIRVIEW CAPITAL	46,077,269.00	1.30		
GROSVENOR GCM - CFG	131,728,196.00	3.70		
HAMILTON LANE	80,978,416.00	2.28		
<i>Total Private Equity</i>	258,783,881.00	7.27	7.50	-0.23
ACADIAN	110,930,877.33	3.12		
AQR CAPITAL	126,890,774.52	3.57		
ATIVO	37,261,145.10	1.05		
BAILLIE GIFFORD	94,320,407.02	2.65		
BLACKROCK ACW-EXUS-SL	0.62	0.00		
EARNEST PARTNERS	89,647,057.11	2.52		
GLOBAL TRANSITION ACCOUNT	940.39	0.00		
<i>Total International</i>	459,051,202.09	12.90	12.50	0.40
ARIEL	108,386,963.43	3.05		
NORTHERN TRUST INTL EQ ACWI INDEX	23,493,630.87	0.66		
WELLINGTON MGMT	128,183,581.89	3.60		
<i>Total Global Equity</i>	260,064,176.19	7.31	7.50	-0.19
ACADIAN-LVG	211,919,706.54	5.96		
BLACKROCK	218,412,473.77	6.14		
<i>Total Global Low Volatility Equity</i>	430,332,180.31	12.10	12.50	-0.40
ATLANTIC TRUST	62,886,602.39	1.77		
HARVEST FUND	62,277,130.43	1.75		
COHEN & STEERS	59,578,695.57	1.67		
<i>Total Global Listed Infrastructure</i>	184,742,428.39	5.19	5.00	0.19
<i>Total Marketable Alternatives</i>	-	0.00	2.50	-2.50
TOTAL EQUITY	2,470,908,040.53	69.45	70.00	-0.55
FIXED INCOME				
ABERDEEN ASSET MGMT	223,018,666.07	6.27		
GARCIA HAMILTON	67,929,705.69	1.91		
SECURIAN ASSET MANAGEMENT	222,537,813.39	6.26		
<i>Total Investment Grade</i>	513,486,185.15	14.43	15.00	-0.57
NEUBERGER BERMAN	175,270,689.72	4.93		
<i>Total Opportunistic Credit</i>	175,270,689.72	4.93	5.00	-0.07
BLACKROCK-HY	176,104,787.75	4.95		
OAKTREE	177,645,442.60	4.99		
<i>Total High Yield</i>	353,750,230.35	9.94	10.00	-0.06
CASH ACCOUNT	44,228,049.61	1.24		
<i>Total Short Term</i>	44,228,049.61	1.24	0.00	1.24
TOTAL FIXED INCOME	1,086,735,154.83	30.55	30.00	0.55
TOTAL FUND	\$ 3,557,643,195.36			





WILSHIRE ASSOCIATES

Wilshire Consulting



Employees' Retirement Fund of the City of Dallas

Monthly Investment Summary

November 30, 2020

Asset Allocation & Performance

Dallas Total Fund

Periods Ended November 30, 2020

	Performance (%) net of fees								Allocation	
	1 Month	1 Quarter	YTD	1 Year	3 Years	5 Years	Since Inception	Inception Date	Market Value \$	%
Global Equity Composite	9.43	3.24	10.34	14.17	7.52	9.63	9.51	9/1/2012	260,064,176	7.31
Global Low Volatility Composite	7.12	1.94	-2.77	-0.57	4.89	8.11	7.51	7/1/2015	430,332,180	12.10
Domestic Equity Composite	13.22	9.00	10.60	13.80	9.51	11.85	10.24	1/1/1990	504,638,813	14.19
International Equity Composite	13.01	8.90	8.36	13.62	3.91	8.14	5.70	1/1/1990	459,051,202	12.91
Global Fixed Income Composite	1.52	1.04	8.04	8.08	5.64	4.82	5.20	10/1/1995	513,486,185	14.44
High Yield Composite	3.58	1.47	2.90	4.84	4.49	6.18	6.41	1/1/1997	353,750,230	9.95
Credit Opportunities Composite	2.82	2.24	2.55	4.56	4.20		6.62	2/1/2016	175,270,690	4.93
Total Real Estate Composite	4.10	2.05	-3.60	-3.51	4.25	5.17	6.39	1/1/1990	372,314,596	10.47
Global Listed Infrastructure Composite	14.65	5.44	-25.53	-19.73	-7.76	-4.13	0.72	1/1/2012	184,742,428	5.19
Private Equity Composite	0.26	1.20	-2.87	-2.47	7.40	8.92	12.06	6/1/2009	258,783,881	7.28
Managed Short Term Composite	0.01	0.03	0.66	0.80	1.64	1.20	2.87	1/1/1990	44,228,050	1.24
Dallas Total Fund	6.79	3.78	2.09	4.51	5.12	7.04	8.91	1/1/1985	3,556,662,432	100.00
Policy Index	8.16	4.48	4.60	7.34	6.22	7.61	9.57			

Asset Allocation & Performance

Dallas Total Fund

Periods Ended November 30, 2020

	Performance (%) net of fees								Allocation	
	1 Month	1 Quarter	YTD	1 Year	3 Years	5 Years	Since Inception	Inception Date	Market Value \$	%
Systematic Financial Russell 2000 Index	15.04 18.43	15.25 16.87	-2.89 10.41	-0.42 13.59	0.84 7.09	8.58 10.25	10.13 9.50	8/1/2003	68,822,810	13.64
Redwood Investments * Russell 2000 Growth Index	12.02 17.63	9.73 15.99	32.86 23.12	35.11 25.95	11.58 12.83		12.29 15.38	10/1/2016	37,845,625	7.50
Channing Capital * Russell 2000 Value Index	20.04 19.31	20.47 17.82	7.30 -3.05	10.53 0.35	2.51 0.80	6.95 6.83	6.24 5.38	12/1/2013	37,789,764	7.49
Domestic Equity Small Cap Composite	15.48	14.97	8.44	11.09	4.12	8.92	9.42	6/1/2003	144,458,199	28.63

Asset Allocation & Performance

Dallas Total Fund

Periods Ended November 30, 2020

	Performance (%) net of fees								Allocation	
	1 Month	1 Quarter	YTD	1 Year	3 Years	5 Years	Since Inception	Inception Date	Market Value \$	%
Smith Graham * Russell Midcap Index	16.77 13.82	19.96 12.32	-2.77 11.86	0.56 14.43			2.23 10.21	1/1/2018	69,251,850	13.72
T. Rowe Price S&P 500	11.73 10.95	4.38 3.89	15.36 14.02	18.76 17.46	13.86 13.17	14.73 13.99	10.14 9.53	4/1/2006	144,888,039	28.71
Northern Trust S&P 500 (Lending) S&P 500	10.95 10.95	3.73 3.89	13.86 14.02	17.30 17.46	13.14 13.17	13.97 13.99	10.43 10.40	1/1/1995	146,040,726	28.94
Domestic Equity Composite Custom Benchmark	13.22 12.03	9.00 5.46	10.60 15.64	13.80 19.02	9.51 13.21	11.85 14.05	10.24 10.48	1/1/1990	504,638,813	100.00

Asset Allocation & Performance

Dallas Total Fund

Periods Ended November 30, 2020

	Performance (%) net of fees								Allocation	
	1 Month	1 Quarter	YTD	1 Year	3 Years	5 Years	Since Inception	Inception Date	Market Value \$	%
Adelante Capital Management	10.10	3.45	-7.96	-8.71	3.44	4.50	9.19	10/1/2001	75,185,882	20.19
Wilshire U.S. Real Estate Securities Index	10.42	4.08	-10.46	-11.04	2.30	4.28	9.36			
CenterSquare	11.34	5.01	-7.42	-8.00			5.89	6/1/2018	76,135,533	20.45
Wilshire U.S. Real Estate Securities Index	10.42	4.08	-10.46	-11.04			3.96			
REIT Composite	10.72	4.23	-7.69	-8.36	3.69	4.59	9.31	10/1/2001	151,321,415	40.64
Wilshire U.S. Real Estate Securities Index	10.42	4.08	-10.46	-11.04	2.30	4.28	9.36			
Heitman America Real Estate Trust, LP	0.00	0.94	-3.44	-4.42	2.01	4.53	8.91	12/1/2010	81,155,154	21.80
NCREIF ODCE NOF	0.00	0.27	-0.74	0.52	4.25	5.69	9.26			
Invesco Core Real Estate USA, LLC	0.00	-0.28	-3.18	-0.95	4.93	6.52	9.64	12/1/2010	68,287,436	18.34
NCREIF ODCE NOF	0.00	0.27	-0.74	0.52	4.25	5.69	9.26			
Private Core Real Estate Composite	0.00	0.60	-0.75	-0.08	4.53	5.38	8.89	10/1/2010	220,993,181	59.36
Custom Benchmark	0.00	0.45	1.15	2.40	5.15	5.51	8.48			
Total Real Estate Composite	4.10	2.05	-3.60	-3.51	4.25	5.17	6.39	1/1/1990	372,314,596	100.00
Custom Benchmark	5.21	2.40	-3.83	-3.54	4.27	5.29	8.32			

Employees' Retirement Fund of the City of Dallas
 Private Equity & Direct Private Real Estate Monthly Performance and Market Value Summary



Periods Ended 11/30/20

	Month-End Market Value	Commitment Value	Drawn Down Capital	Cash Distributions	Inception Date	IRR Since Inception	Multiple ³
Invesco II	71,550,591	65,188,333	65,188,333	7,313,270	Jan-14	4.5%	1.2
Total Direct Private Real Estate	71,550,591	65,188,333	65,188,333	7,313,270	Jan-14	4.5%	1.2

	Month-End Market Value	Commitment Value	Drawn Down Capital	Cash Distributions	Inception Date	IRR Since Inception	Multiple ³
Hamilton Lane Secondary Fund II	1,147,126	25,000,000	22,058,532	30,711,620	Jul-09	13.8%	1.4
Hamilton Lane Secondary Fund III	7,453,478	30,000,000	23,372,292	22,346,155	Nov-12	9.4%	1.3
Hamilton Lane Secondary Fund IV	24,441,707	30,000,000	25,907,343	7,567,635	Mar-17	14.6%	1.2
Hamilton Lane Secondary Fund V	7,070,129	40,000,000	6,000,000	-	Mar-20	19.6%	1.2
Hamilton Lane Fund VII Composite	21,393,820	50,000,000	45,600,834	44,081,684	Jan-10	5.6%	1.4
Hamilton Lane Fund VIII (Global)	19,472,156	30,000,000	22,131,848	7,526,711	Nov-12	4.7%	1.2
GCM Grosvenor - Partnership, L.P.	34,281,074	75,000,000	84,962,430	98,193,733	Jun-11	13.6%	1.6
GCM Grosvenor - Partnership II, L.P. (2014)	52,016,136	60,000,000	68,097,889	32,850,434	Jul-14	10.0%	1.2
GCM Grosvenor - Partnership II, L.P. (2015)	32,903,660	30,000,000	30,086,571	5,603,995	Dec-15	11.4%	1.2
GCM Grosvenor - Partnership II, L.P. (2017)	12,527,326	30,000,000	13,903,054	498,336	Jan-18	-6.7%	0.9
Fairview Capital - Lone Star Fund I	38,294,489	40,000,000	33,953,847	2,934,533	Aug-15	8.5%	1.2
Fairview Capital - Lone Star Fund II	7,782,780	30,000,000	8,697,892	-	Dec-18	-11.0%	0.9
Total Private Equity Composite	258,783,881	470,000,000	384,772,532	252,314,836	Jul-09	11.0%	1.3

Public Market Equivalent (PME) ² **406,977,165** **17.6%**

* Next Generation Manager

¹ Total Value to Paid-in Capital ("TVPI") multiple calculation = *(market value + distributions) / capital called*

² The Public Market Equivalent (PME) approach creates a hypothetical investment vehicle that mimics the private equity composite cash flows. The performance difference between the PME vehicle and the private equity portfolio is determined by their net asset value (NAV) at the end of the benchmarking period. The performance of the "public market" is simulated using the monthly S&P 500 index returns, plus a 300 BPs annual hurdle rate.

³ Private Equity cash account

Asset Allocation & Performance

Dallas Total Fund

Periods Ended November 30, 2020

	Performance (%) net of fees								Allocation	
	1 Month	1 Quarter	YTD	1 Year	3 Years	5 Years	Since Inception	Inception Date	Market Value \$	%
Acadian International Custom Benchmark	11.66 13.84	9.28 9.42	5.55 6.78	11.80 12.04	1.66 3.29	9.02 7.92	8.32 6.04	4/1/1989	110,930,877	24.17
Ativo International * MSCI EAFE Index (Net)	10.95 15.50	3.72 8.01	-1.90 3.03	0.72 6.37			1.69 2.79	1/1/2018	37,261,145	8.12
AQR Capital Management Custom Benchmark	12.40 13.45	7.96 8.28	7.42 4.98	12.46 9.52	2.44 3.82	7.26 7.38	3.78 3.35	4/1/2006	126,890,775	27.64
Baillie Gifford MSCI AC World ex USA (Net)	11.75 13.45	7.84 8.28	20.54 4.98	26.23 9.52			22.91 9.11	4/1/2019	94,320,407	20.55
Earnest Partners MSCI AC World ex USA (Net)	18.66 13.45	13.94 8.28	4.27 4.98	9.55 9.52			8.43 9.11	4/1/2019	89,647,057	19.53
BlackRock ACWI Ex U.S.									1	0.00
International Equity Composite Custom Benchmark	13.01 13.50	8.90 8.43	8.36 5.21	13.62 9.85	3.91 3.74	8.14 7.45	5.70 4.71	1/1/1990	459,051,202	100.00

Asset Allocation & Performance

Dallas Total Fund

Periods Ended November 30, 2020

	Performance (%) net of fees								Allocation	
	1 Month	1 Quarter	YTD	1 Year	3 Years	5 Years	Since Inception	Inception Date	Market Value \$	%
Ariel Global * MSCI AC World Index (Net)	7.61 12.33	0.25 6.06	1.27 11.10	4.98 15.01			4.19 8.66	1/1/2018	108,386,963	41.68
Wellington MSCI AC World Index (Net)	10.45 12.33	5.21 6.06	18.16 11.10	22.04 15.01	9.75 8.99	10.45 10.84	12.65 10.38	9/1/2012	128,183,582	49.29
Northern Trust Global Equity MSCI AC World IMI (Net)	12.50 12.66	6.84 6.80	11.14 10.75	15.06 14.67	9.06 8.54	11.13 10.65	12.22 11.72	10/1/2015	23,493,631	9.03
Global Equity Composite MSCI AC World Index (Net)	9.43 12.33	3.24 6.06	10.34 11.10	14.17 15.01	7.52 8.99	9.63 10.84	9.51 10.38	9/1/2012	260,064,176	100.00

Asset Allocation & Performance

Dallas Total Fund

Periods Ended November 30, 2020

	Performance (%) net of fees								Allocation	
	1 Month	1 Quarter	YTD	1 Year	3 Years	5 Years	Since Inception	Inception Date	Market Value \$	%
Acadian Global Low Vol.	7.42	1.25	-5.01	-2.53	3.39	7.14	6.67	7/1/2015	211,919,707	49.25
MSCI AC World Index (Net)	12.33	6.06	11.10	15.01	8.99	10.84	9.32			
MSCI ACWI Minimum Volatility Index (Net)	6.72	2.49	0.29	2.13	6.34	8.80	8.07			
BlackRock Global Low Vol.	6.84	2.62	-0.48	1.41	6.38	9.06	8.34	7/1/2015	218,412,474	50.75
MSCI ACWI Minimum Volatility Index (Net)	6.72	2.49	0.29	2.13	6.34	8.80	8.07			
Global Low Volatility Composite	7.12	1.94	-2.77	-0.57	4.89	8.11	7.51	7/1/2015	430,332,180	100.00
MSCI ACWI Minimum Volatility Index (Net)	6.72	2.49	0.29	2.13	6.34	8.80	8.07			

Asset Allocation & Performance

Dallas Total Fund

Periods Ended November 30, 2020

	Performance (%) net of fees							Allocation		
	1 Month	1 Quarter	YTD	1 Year	3 Years	5 Years	Since Inception	Inception Date	Market Value \$	%
Securian Asset Management Blmbg. Barc. U.S. Aggregate	1.73 0.98	1.14 0.48	6.20 7.36	6.15 7.28	5.23 5.45	4.81 4.34	4.90 4.61	7/1/2007	222,537,813	43.34
Aberdeen Global Fixed Income Blmbg. Barc. U.S. Aggregate	1.49 0.98	1.15 0.48	10.07 7.36	10.28 7.28	6.19 5.45	5.00 4.34	5.17 4.47	5/1/2007	223,018,666	43.43
Garcia Hamilton * Blmbg. Barc. U.S. Aggregate	0.88 0.98	0.42 0.48	7.46 7.36	7.22 7.28	5.19 5.45	4.32 4.34	4.16 3.88	11/1/2013	67,929,706	13.23
Global Fixed Income Composite Blmbg. Barc. U.S. Aggregate	1.52 0.98	1.04 0.48	8.04 7.36	8.08 7.28	5.64 5.45	4.82 4.34	5.20 5.29	10/1/1995	513,486,185	100.00

Asset Allocation & Performance

Dallas Total Fund

Periods Ended November 30, 2020

	Performance (%) net of fees								Allocation	
	1 Month	1 Quarter	YTD	1 Year	3 Years	5 Years	Since Inception	Inception Date	Market Value \$	%
Neuberger Berman	2.82	2.24	2.55	4.56	4.20		6.62	2/1/2016	175,270,690	
Custom Benchmark	3.36	2.80	3.08	5.04	4.58		6.99			

Asset Allocation & Performance

Dallas Total Fund

Periods Ended November 30, 2020

	Performance (%) net of fees							Allocation		
	1 Month	1 Quarter	YTD	1 Year	3 Years	5 Years	Since Inception	Inception Date	Market Value \$	%
Oaktree Capital Management	3.77	3.60	4.60	6.39	4.50	6.39	6.66	2/1/1997	177,645,443	50.22
FTSE High Yield Cash Pay	3.92	3.27	4.20	6.36	5.27	7.31	6.82			
BlackRock	3.38	-0.65	1.16	3.25	4.45	5.95	6.20	10/1/2006	176,104,788	49.78
FTSE High Yield Cash Pay	3.92	3.27	4.20	6.36	5.27	7.31	6.88			
High Yield Composite	3.58	1.47	2.90	4.84	4.49	6.18	6.41	1/1/1997	353,750,230	100.00
FTSE High Yield Cash Pay	3.92	3.27	4.20	6.36	5.27	7.31	6.83			

Asset Allocation & Performance

Dallas Total Fund

Periods Ended November 30, 2020

	Performance (%) net of fees								Allocation	
	1 Month	1 Quarter	YTD	1 Year	3 Years	5 Years	Since Inception	Inception Date	Market Value \$	%
Atlantic Trust CIBC	19.85	9.56	-23.40	-17.45	-7.35	-3.43	1.10	1/1/2012	62,886,602	34.04
MLP Temp Policy	19.83	8.04	-32.66	-26.92	-13.01	-7.69	-4.61			
Harvest Fund Advisors MLP	18.12	9.25	-22.09	-16.02	-5.98	-3.47	0.85	1/1/2012	62,277,130	33.71
MLP Temp Policy	19.83	8.04	-32.66	-26.92	-13.01	-7.69	-4.61			
C&S Global Listed Infrastructure	6.50						6.50	11/1/2020	59,578,696	32.25
FTSE Global Core Infrastructure 50/50 (Net)	7.79						7.79			
Global Listed Infrastructure Composite	14.65	5.44	-25.53	-19.73	-7.76	-4.13	0.72	1/1/2012	184,742,428	100.00
Global Listed Infrastructure Benchmark	16.82	5.32	-34.35	-28.75	-13.74	-8.16	-4.88			

Asset Allocation & Performance

Dallas Total Fund

Periods Ended November 30, 2020

	Performance (%) net of fees								Allocation	
	1 Month	1 Quarter	YTD	1 Year	3 Years	5 Years	Since Inception	Inception Date	Market Value \$	%
Cash Account	0.01	0.03	0.66	0.80	1.64	1.20	3.22	1/1/1988	44,228,050	100.00
Managed Short Term Composite	0.01	0.03	0.66	0.80	1.64	1.20	2.87	1/1/1990	44,228,050	100.00

At A Glance

For period ended November 30, 2020

	2019		2020	
	This Month	YTD	This Month	YTD
Retirements				
Age	13	223	15	176
Service	0	20	4	24
Rule of 78	11	107	8	89
QDRO	1	7	0	6
<i>Total</i>	25	357	27	295
Disability Retirements				
Service	0	2	0	0
Non-service	0	1	0	3
<i>Total</i>	0	3	0	3
Benefits Paid	\$ 23,589,392.12	\$ 254,196,463.51	\$ 24,164,199.84	\$ 263,211,196.28
Refunds	\$ 507,506.64	\$ 9,389,790.71	\$ 717,635.15	\$ 6,269,609.80
Number of refunds	40	662	36	405
*Contributions	\$ 9,218,558.45	\$ 110,391,069.13	\$ 9,011,460.49	\$ 109,574,223.84

	Members on record at month end				
	Retirees & beneficiaries	Disabilities	Tier A Actives	Tier B Actives	Total Actives
Jan	7,400	161			7,438
Feb	7,414	161			7,441
Mar	7,445	156			7,461
April	7,446	156			7,495
May	7,446	156			7,541
June	7,469	156			7,508
July	7,473	155			7,461
Aug	7,499	152	4,992	2,432	7,424
Sep	7,509	153	4,927	2,414	7,341
Oct	7,522	153	4,885	2,410	7,295
Nov	7,538	152	4,839	2,417	7,256
Dec					

**CONSUMER PRICE INDEX - CPI-W
U. S. CITY AVERAGE
2020**

Effective January 1, 2021

<u>MONTH AND YEAR</u>	<u>PERCENTAGE OF ANNUAL MONTHLY INCREASE</u>
NOVEMBER 2019	1.900%
DECEMBER 2019	2.300%
JANUARY 2020	2.500%
FEBRUARY 2020	2.300%
MARCH 2020	1.500%
APRIL 2020	0.100%
MAY 2020	-0.100%
JUNE 2020	0.500%
JULY 2020	1.000%
AUGUST 2020	1.400%
SEPTEMBER 2020	1.500%
OCTOBER 2020	<u>1.300%</u>
TOTAL	16.200%

<i>PERCENTAGE OF ANNUAL AVERAGE CHANGE IN THE PRICE INDEX FOR LAST 12 MONTHS</i>	
$16.20\% / 12$	$= 1.350\%$
mos.	

<i>PERCENTAGE CHANGE IN THE PRICE INDEX FROM OCTOBER 2019 TO OCTOBER 2020</i>	
$254.076 - 250.894 / 250.894$	$= 1.268\%$
10/20Index	10/19 Index
	10/19 Index

ERF 2020 COLA effective January 1, 2021 will be 1.350%

COLA REQUIREMENT

COLA increase is required by City Code of Ordinances, Chapter 40A, Section 28

The maximum COLA is: 5% Tier A
 3% Tier B (members hired after December 31, 2016)

CALCULATION

The ERF COLA is an automatic adjustment to benefit payments that occurs annually. The purpose of the COLA is to ensure that the purchasing power of income received from pension benefits is not eroded by inflation. It is based on the higher of:

- (1) the annual average change of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the 12 month period from November through October; **or**
- (2) the percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) from October of one year to October of the next year.

If there is no increase, there is no COLA.

The retiree COLA is not compounded, and the COLA percentage is applied to the initial base pension.

Social Security COLA for January 1, 2021 is 1.3% .

The increase for Social Security is based on the change in the CPI-W from the 3rd Quarter of the Prior year (2019) to the 3rd quarter of the Current year (2020).