

MINUTES**MEETING OF THE BOARD OF TRUSTEES****EMPLOYEES' RETIREMENT FUND OF THE CITY OF DALLAS****FRIDAY, MAY 22, 2020****1920 MCKINNEY AVENUE****10th FLOOR****PARKVIEW AT 1920 MCKINNEY****9:00 a.m.**

This Employees Retirement Fund of the City of Dallas meeting was held by videoconference.

Meeting: Henry Talavera and Cheryl D. Alston presiding

Present: Henry Talavera, Carla D. Brewer, John D. Jenkins, Lee M. Kleinman, Tina B. Richardson and Mark Swann

Absent: None

Staff: Cheryl D. Alston, Edward Scott, David K. Etheridge, Natalie Jenkins Sorrell, Anita Gage, Melissa Harris, and C. Kay Watson

Others Present: Adrian Amores, Zack Cziryak, Chris LaCroix, Tyler Lee, Matthew Schmelzer, Manet Schuman, Alexandra Semenova, Stefan Smith, and Lewis Ward

With a quorum present, the regular meeting of the Employees' Retirement Fund Board of Trustees was called to order at 9:19 a.m. by Cheryl D. Alston, Temporary Board Chair.

DISCUSSION AND APPROVAL OF:

The Temporary Board Chair presented the Minutes of the Employees' Retirement Fund Board of Trustees February 11, 2020 regular meeting for approval.

Mr. Swann moved approval of the Minutes of the Employees' Retirement Fund Board of Trustees February 11, 2020 regular meeting. Mr. Talavera seconded the motion and the Minutes of the Employees' Retirement Fund Board of Trustees February 11, 2020 regular meeting were unanimously approved.

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DISCUSSION AND APPROVAL OF:

Consent Agenda of March 10, 2020

Approved March 10, 2020 by the Executive Director According to Resolution 2015-2

Total Number of Resolution 2015-2 Retirements (Hardship): 56

There was no motion made on this item.

Consent Agenda of April 14, 2020

Approved April 14, 2020 by the Executive Director According to Resolution 2015-2

Total Number of Resolution 2015-2 Retirements (Hardship): 34

There was no motion made on this item.

Consent Agenda of May 22, 2020

Total Number of Retirees: 26

Total Number of Survivors: 10

Total Number of Termination/Redistribution of Survivor Benefits: 0

Total Number of QDRO Benefits: 2

Total Number of Small Estates: 1

Total Number of Large Estates: 1

Total Number of Disability Continuations: 0

Total Number of Deferred Vested: 0

Total Number of Recalculations: 0

Total Number of Corrections: 0

Total Number of Resolution 2015-2 Retirements (Hardship): 0

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DISCUSSION AND APPROVAL OF: (continued)

Mr. Jenkins moved approval of the Consent Agenda of the Employees' Retirement Fund of the City of Dallas at the Employees' Retirement Fund Board of Trustees May 22, 2020 regular meeting. Ms. Brewer seconded the motion and the Consent Agenda of the Employees' Retirement Fund of the City of Dallas at the Employees' Retirement Fund Board of Trustees May 22, 2020 regular meeting was unanimously approved.

INDIVIDUAL ITEMS – DISCUSSION OF AND/OR APPROVAL OF:

1. Election of Board Officers

Ms. Brewer made a motion to nominate Henry Talavera as Chair of the Board. Mr. Jenkins seconded the motion.

No other nominations were made for Chair of the Board.

Following a unanimous vote, Henry Talavera was elected to serve as Chair of the ERF Board of Trustees.

Mr. Kleinman made a motion to nominate himself as Vice Chair of the Board. Mr. Jenkins seconded the motion.

Ms. Brewer made a motion to nominate herself as Vice Chair. Mr. Talavera seconded the motion.

No other nominations were made for Vice Chair of the Board.

The vote for Mr. Kleinman was as follows:

Aye – Mr. Jenkins, Mr. Talavera, Mr. Swann and Mr. Kleinman

No –Ms. Brewer

Ms. Richardson did not vote due to technical difficulties.

The motion was approved by a majority of the vote.

Ms. Brewer's motion died because the first motion passed.

Lee Kleinman was elected to serve as Vice Chair of the ERF Board of Trustees.

Henry Talavera chaired the remainder of the meeting but respectfully requested that Cheryl D. Alston manage the flow of discussion and voting during the videoconference meeting, allowing him to focus on his fiduciary duty.

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INDIVIDUAL ITEMS – DISCUSSION OF AND/OR APPROVAL OF:

2. Actuarial Experience Investigation Study Through December 31, 2019 by Lewis Ward of Gabriel Roeder Smith & Company (Attachment)

There was no motion made on this item.

3. Discussion, Consideration and Possible Action to Approve the Actuarial Experience Investigation Study Changes for the December 31, 2019 Actuarial Valuation Report.

Mr. Kleinman made a motion to approve the Actuarial Experience Investigation Study Changes as of December 31, 2019 using scenario 11 with a 2.25% adjusted inflation rate and an investment rate of 7%, the motion failed for lack of a second.

Ms. Brewer made a motion to approve the Actuarial Experience Investigation Study Changes as of December 31, 2019 using scenario 12, following a second by Mr. Swann.

The vote for scenario 12 was as follows:

Aye – Ms. Brewer, Mr. Swann

No – Mr. Talavera, Mr. Jenkins, Mr. Kleinman and Ms. Richardson

The motion failed.

Ms. Richardson made a motion to approve the Actuarial Experience Investigation Study Changes as of December 31, 2019 using scenario 11. Mr. Jenkins seconded the motion.

The vote for scenario 11 was as follows:

Aye – Ms. Brewer, Mr. Talavera, Mr. Jenkins and Ms. Richardson

No – Mr. Kleinman and Mr. Swann

The motion was approved by a majority of the vote.

4. Discussion, Consideration and Possible Action to Approve Revisions to the Manager Monitoring and Selection Policy (Attachment)

Mr. Jenkins made a motion to approve the revisions to the Manager Monitoring and Selection Policy with the added change of: “as practicable for in person visits” and authorize the Board Chair to sign. Ms. Richardson seconded the motion.

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INDIVIDUAL ITEMS – DISCUSSION OF AND/OR APPROVAL OF: (continued)

4. Discussion, Consideration and Possible Action to Approve Revisions to the Manager Monitoring and Selection Policy (Attachment) (continued)

There was discussion.

The motion was unanimously approved.

5. Selection of Value-Add Real Estate Manager(s) for Due Diligence Process (Attachment)

Mr. Kleinman made a motion to approve the recommended investment managers for due diligence. Following a second by Mr. Talavera, the motion was unanimously approved.

6. Selection of Global Listed Infrastructure Manager(s) for Due Diligence Process (Attachment)

Ms. Richardson made a motion to approve the recommended investment managers for due diligence. Following a second by Mr. Kleinman, the motion was unanimously approved.

7. Discussion, Consideration and Possible Action to Revise Aberdeen Guidelines (Attachments)

Ms. Brewer made a motion to defer this item until the June Board Meeting. Mr. Swann seconded the motion.

The vote was as follows:

Aye – Mr. Talavera, Ms. Brewer, Mr. Jenkins, Ms. Richardson and Mr. Swann

No – Mr. Kleinman

The motion was approved by a majority of the vote.

8. Discussion, Consideration and Possible Action to Revise BlackRock Guidelines (Attachments)

Ms. Brewer made a motion to approve the revisions to BlackRock Guidelines and authorize the Board Chair to sign. Mr. Talavera seconded the motion.

There was discussion.

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INDIVIDUAL ITEMS – DISCUSSION OF AND/OR APPROVAL OF: (continued)

8. Discussion, Consideration and Possible Action to Revise BlackRock Guidelines (Attachments) (continued)

The motion was unanimously approved.

9. Reports and Recommendations by Executive Director and Staff:

- a. Dallas ERF Operational Update in Response to COVID-19

There was no motion made on this item.

- b. Asset Allocation Report (Attachments)

February 2020

March 2020

April 2020

There was no motion made on these items.

- c. Monthly Performance Report (Attachments)

February 2020

March 2020

April 2020

There was no motion made on these items.

- d. ERF at a Glance (Attachments)

February 2020

March 2020

April 2020

There was no motion made on these items.

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INDIVIDUAL ITEMS – DISCUSSION OF AND/OR APPROVAL OF: (continued)

10. Discussion of The Employees' Retirement Fund of the City of Dallas v The City of Dallas, Cause No. DC-18-14682

Mr. Talavera made a motion to defer this item until the June Board Meeting. Following a second by Ms. Brewer, the motion was unanimously approved.

The Executive Director stated that there was no further business to come before the Board. The Executive Director adjourned the meeting at 12:25 p.m.

All materials presented at the meeting of the Board of Trustees are now part of the Official Minutes.

APPROVED: Henry Talavera
Henry Talavera, Chair, Board of Trustees

ATTEST: Cheryl D. Alston
Cheryl D. Alston, Executive Director

C. Kay Watson
C. Kay Watson, Board Coordinator

Signature: Henry Talavera
Henry Talavera (Jun 10, 2020 09:40 CDT)
Email: htalavera@polsinelli.com

Signature: cheryl alston
cheryl alston (Jun 10, 2020 13:46 CDT)
Email: calston@dallaserf.org

Signature: C. Kay Watson
C. Kay Watson (Jun 10, 2020 14:08 CDT)
Email: cwatson@dallaserf.org












ERF Board Minutes May 22nd

Final Audit Report

2020-06-10

Created:	2020-06-10
By:	Anita Gage (agage@dallaserf.org)
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