MINUTES

MEETING OF THE BOARD OF TRUSTEES

EMPLOYEES' RETIREMENT FUND OF THE CITY OF DALLAS

TUESDAY, JUNE 14, 2016

600 NORTH PEARL STREET

SUITE 2450

PLAZA OF THE AMERICAS, SOUTH TOWER

9:00 a.m.

Meeting:	John D. Jenkins presiding
Present:	John D. Jenkins, Carla D. Brewer, Craig D. Kinton, Lee M. Kleinman, Dr. John W. Peavy III, and Tina B. Richardson
Absent:	Randy Bowman
Staff:	Cheryl D. Alston, David K. Etheridge, Natalie Jenkins Sorrell, Melissa Harris, Naveed Khan, Deirdre Taylor, Saki Vimal, and C. Kay Watson
Others Present:	Gus Fields, Diccy Thurman, and Juliet Williams

With a quorum present, the regular meeting of the Employees' Retirement Fund Board of Trustees was called to order at 9:15 a.m. by John D. Jenkins, Chair.

DISCUSSION AND APPROVAL OF:

The Chair presented the Minutes of the Employees' Retirement Fund Board of Trustees May 10, 2016 regular meeting for approval.

Mr. Kinton moved approval of the Minutes of the Employees' Retirement Fund Board of Trustees May 10, 2016 regular meeting. Dr. Peavy seconded the motion and the Minutes of the Employees' Retirement Fund Board of Trustees May 10, 2016 regular meeting were unanimously approved.

DISCUSSION AND APPROVAL OF: (continued)

Consent Agenda of June 14, 2016

Total Number of Retirees:	38
Total Number of Survivors:	5
Total Number of Termination/Redistribution of Survivor Benefits:	0
Total Number of QDRO Benefits:	2
Total Number of Small Estates:	5
Total Number of Large Estates:	1
Total Number of Disability Continuations:	0
Total Number of Deferred Vested:	0
Total Number of Final Calculations	1
Total Number of Corrections	1
Total Number of Resolution 2015-1 Re-Applications for Retirement Benefits	0
Total Number of Resolution 2015-3 Re-Applications for Retirement Benefits	0

The Chair presented the Consent Agenda of the Employees' Retirement Fund Board of Trustees June 14, 2016 regular meeting for approval.

Dr. Peavy moved approval of the Consent Agenda of the Employees' Retirement Fund Board of Trustees June 14, 2016 regular meeting. Mr. Kinton seconded the motion and the Consent Agenda of the Employees' Retirement Fund Board of Trustees June 14, 2016 regular meeting was unanimously approved.

Ms. Richardson arrived at 9:20 a.m.

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JUNE 14, 2016

INDIVIDUAL ITEMS – DISCUSSION AND/OR APPROVAL OF:

1. ERF Financial Statements as of December 31, 2015 and 2014 Audit Presentation by Juliet Williams of Grant Thornton LLP and Diccy Thurman of Owens & Thurman, P.C. (Attachment)

   Mr. Kinton made a motion to accept the results of the audit of the ERF Financial Statements as of December 31, 2015 and 2014 pending receipt of the auditor's opinion letter. Following a second by Ms. Richardson, the motion was unanimously approved.

2. ERF Comprehensive Annual Financial Report Fiscal Year Ended December 31, 2015 (Attachment)

   Dr. Peavy made a motion to approve the ERF Comprehensive Annual Financial Report Fiscal Year Ended December 31, 2015. Following a second by Ms. Richardson, the motion was unanimously approved.

3. Update on Revisions to Dallas City Code Chapter 40A

Ms. Brewer arrived at 9:35 a.m.

   There was no motion made on this item.

4. Selection of Next Generation Investment Manager(s) – Small Cap Growth Equity for Due Diligence Visits (Attachment)

   Ms. Richardson made a motion to approve the following Next Generation Investment Manager(s) – Small Cap Growth Equity for due diligence visits: Nicholas Investment Partners, Redwood Investments, and Rice Hall James & Associates and one trustee to attend the due diligence visits. Following a second by Mr. Kinton, the motion was unanimously approved.

5. Amendment to the Investment Management Agreement dated March 20, 2006 by and between the Employees' Retirement Fund of the City of Dallas and T. Rowe Price Associates, Inc. (Attachment)

   Mr. Kleinman made a motion to approve the Amendment to the Investment Management Agreement dated March 20, 2006 by and between the Employees' Retirement Fund of the City of Dallas and T. Rowe Price Associates, Inc. and authorize the Chair to sign. Following a second by Ms. Brewer, the motion was unanimously approved.

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

6. Placement of Security Capital Research & Management Incorporated on Watch (Attachment)

   Mr. Kleinman made a motion to place Security Capital Research & Management Incorporated on watch for six months based on performance. Following a second by Dr. Peavy, the motion was unanimously approved.

7. Third Quarter Cash Requirements and Rebalancing (Attachment)

   Mr. Kinton made a motion to approve the funding of the third quarter 2016 cash requirements and rebalancing as outlined on the attachment. Following a second by Dr. Peavy, the motion was unanimously approved.

8. Possible Attendance at:

   Texas Association of Public Employee Retirement Systems (TEXPERS) 2016 Summer Educational Forum to be held August 14-16, 2016 (Attachment)

   Mr. Kinton made a motion to approve eight ERF representatives to attend the Texas Association of Public Employee Retirement Systems (TEXPERS) 2016 Summer Educational Forum. Following a second by Ms. Richardson, the motion was unanimously approved.

9. Highlights of Past Conference(s)

   There was no motion made on this item.

10. Reports and Recommendations by Executive Director and Staff:

    a. Asset Allocation Report

       There was no motion made on this item.

    b. Monthly Performance Report

       There was no motion made on this item.

    c. ERF at a Glance (Attachment)

       There was no motion made on this item.

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

The Executive Director stated that there was no further business to come before the Board. The Chair adjourned the meeting at 10:31 a.m.

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

APPROVED: _____
John D. Jenkins, Chair, Board of Trustees

ATTEST: _____
Cheryl D. Alston, Executive Director

_____
C. Kay Watson, Board Coordinator