

MINUTES

MEETING OF THE BOARD OF TRUSTEES

EMPLOYEES' RETIREMENT FUND OF THE CITY OF DALLAS

TUESDAY, AUGUST 18, 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 presiding

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

Absent: None

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

Others Present: Betty Artis, Andrew Barker, Zarin Gracey, Ali Kazemi, Lindsay Saienni, Robert Sims, Gail Smith, Stefan Smith and Thomas Toth

Henry Talavera chaired the meeting but, to better facilitate the meeting, monitor the electronic meeting platform and ensure active participation of all the Board Members, he delegated the duty to manage today's meeting to the Executive Director and her staff. Although Mr. Talavera would still preside over the meeting, this delegation would better serve the Fund and all Board Members and allow him to focus on the content being presented rather than on the videoconference platform.

With a quorum present, the regular meeting of the Employees' Retirement Fund Board of Trustees was called to order at 9:01 a.m. by Cheryl D. Alston, Executive Director.

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DISCUSSION AND APPROVAL OF:

The Executive Director presented the Minutes of the Employees' Retirement Fund Board of Trustees June 9, 2020 regular meeting for approval.

Mr. Jenkins moved approval of the Minutes of the Employees' Retirement Fund Board of Trustees June 9, 2020 regular meeting. Mr. Kleinman seconded the motion and the Minutes of the Employees' Retirement Fund Board of Trustees June 9, 2020 regular meeting were unanimously approved.

Consent Agenda of July 10, 2020

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

Total Number of Retirees:	22*
Total Number of Survivors:	4*
Total Number of Termination/Redistribution of Survivor Benefits:	1*
Total Number of QDRO Benefits:	0*
Total Number of Small Estates:	1*
Total Number of Large Estates:	1*
Total Number of Disability Retirement Applications:	0*
Total Number of Disability Continuations:	0*
Total Number of Deferred Vested:	6*
Total Number of Recalculations:	3*
Total Number of Corrections:	0*
Total Number of Resolution 2015-2 Retirements (Hardship):	38*

*** Number of Retirements Approved to be Paid Under Resolution 2015-2**

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DISCUSSION AND APPROVAL OF: (continued)

Consent Agenda of August 18, 2020

Total Number of Retirees:	40
Total Number of Survivors:	5
Total Number of Termination/Redistribution of Survivor Benefits:	0
Total Number of QDRO Benefits:	4
Total Number of Estates:	4
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

Ms. Brewer moved approval of the Consent Agenda of the Employees' Retirement Fund of the City of Dallas at the Employees' Retirement Fund Board of Trustees August 18, 2020 regular meeting. Mr. Jenkins 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 August 18, 2020 regular meeting was unanimously approved.

INDIVIDUAL ITEMS – DISCUSSION OF AND/OR APPROVAL OF:

1. Second Quarter 2020 Review by Thomas Toth of Wilshire Associates (Attachments)

Ms. Richardson joined the videoconference meeting at 9:19 a.m.

Mr. Jenkins left the videoconference meeting at 9:58 a.m.

There was no motion made on this item.

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

2. Selection of Global Listed Infrastructure Manager(s) for Finals Presentations (Attachment)

Mr. Jenkins rejoined the videoconference meeting at 10:31 a.m.

Ms. Brewer made a motion to approve the recommended investment managers for finals presentations at the September Board Meeting. Following a second by Ms. Richardson, the motion was unanimously approved.

3. Selection of Value Add Real Estate Manager(s) for Finals Presentations (Attachment)

Mr. Jenkins made a motion to approve the recommended investment managers for finals presentations at the October Board Meeting.

Mr. Talavera abstained from the discussion and vote.

Mr. Swann seconded the motion.

There was discussion.

The motion was unanimously approved.

4. Discussion, Consideration and Possible Plan of Action for Redwood Investments, LLC (Attachment)

Ms. Richardson made a motion to approve Redwood Investments, LLC remaining on watch for an additional six-month period. Mr. Talavera seconded the motion.

There was discussion.

The motion was amended to include bringing Redwood Investments, LLC back to the Board for review in October.

The motion was unanimously approved.

Mr. Toth and Mr. Kazemi left the videoconference meeting at 11:00 a.m.

The meeting recessed at 11:00 a.m. The meeting reconvened at 11:10 a.m.

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

5. Discussion, Consideration and Possible Action to Approve the ERF Comprehensive Annual Financial Report Fiscal Year Ended December 31, 2019 and 2018 (Attachment)

Mr. Swann made a motion to approve the ERF Comprehensive Annual Financial Report Fiscal Year Ended December 31, 2019 and 2018. Following a second by Ms. Brewer, the motion was unanimously approved.

6. Discussion, Consideration and Possible Action to Approve a Contract Amendment for Wilshire Associates (Attachment)

Mr. Jenkins made a motion to approve a six-month contract extension for Wilshire Associates and authorize the Board Chair to sign upon legal review and approval. Following a second by Mr. Kleinman, the motion was unanimously approved.

7. Discussion, Consideration and Possible Action to Approve Amendment Two to Fiscal Year 2019-2020 ERF Budget (Attachments)

Ms. Richardson made a motion to approve the proposed FY 2019-2020 budget amendments reallocating line items as attached and authorize the Executive Director to administer the budget. Following a second by Mr. Jenkins, the motion was unanimously approved.

8. Discussion, Consideration and Possible Action to Approve Fiscal Year 2020-2021 ERF Budget (Attachments)

Mr. Jenkins made a motion to approve the proposed FY 2020-21 budget totaling \$22,272,500 as attached and authorize the Executive Director to administer the budget as noted. The Executive Director is authorized to expend, as required, up to 110% of each line item or \$50,000 whichever is less of the funds appropriated herein, but in no instance, is the authorization given to exceed the total budgeted for each category (Administrative, Benefits Management, Investments Management, Capital, or Special Projects) without Board approval. The Executive Director is authorized to negotiate and sign contracts which are required in the conduct of Fund business and funds have been approved in this budget. This authorization is limited to \$50,000 per contract. The Executive Director is authorized to pay budgeted expenses, and to further pay pensions and member refunds which are authorized by law but are not specifically included in this budget. Following a second by Ms. Richardson, the motion was unanimously approved.

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

9. Reports and Recommendations by Executive Director and Staff:

a. Asset Allocation Report / Cash Rebalance

June 2020

July 2020

There was no motion made on these items.

b. Monthly Performance Report

June 2020

July 2020

There was no motion made on these items.

c. ERF at a Glance (Attachments)

June 2019

July 2019

There was no motion made on these items.

d. Investment Fee Review (Attachment)

There was no motion made on this item.

e. 2020 ERF Trustee Election Calendar (Attachment)

There was no motion made on this item.

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

The Executive Director stated that there was no further business to come before the Board. The Board Chair adjourned the meeting at 11:57 a.m.

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

APPROVED: *Henry Talavera*
Henry Talavera (Sep 8, 2020 15:58 CDT)
Henry Talavera, Chair, Board of Trustees

ATTEST: *Cheryl D. Alston*
cheryl alston (Sep 8, 2020 16:44 CDT)
Cheryl D. Alston, Executive Director

Kay Watson
Kay Watson (Sep 9, 2020 06:44 CDT)
C. Kay Watson, Board Coordinator