

**MINUTES****MEETING OF THE BOARD OF TRUSTEES****EMPLOYEES' RETIREMENT FUND OF THE CITY OF DALLAS****TUESDAY, MARCH 13, 2018****1920 MCKINNEY AVENUE****10<sup>th</sup> FLOOR****PARKVIEW AT 1920 MCKINNEY****9:00 a.m.**

Meeting: John D. Jenkins presiding

Present: John D. Jenkins, Tina B. Richardson, Randy Bowman, Craig D. Kinton, and Dr. John W. Peavy III

Absent: Carla D. Brewer and Lee M. Kleinman

Staff: Cheryl D. Alston, David K. Etheridge, Natalie Jenkins Sorrell, Joshua Berman, Newton Bruce, Anita Gage, Melissa Harris, Andrea Houston, and C. Kay Watson

Others Present: Zaman Hemani, Ali Kazemi, Edward Scott, Stefan Smith, and Jemimah Stratford

With a quorum present, the regular meeting of the Employees' Retirement Fund Board of Trustees was called to order at 9:10 a.m. by the Board Chair.

**DISCUSSION AND APPROVAL OF:**

The Board Chair presented the Minutes of the Employees' Retirement Fund Board of Trustees February 13, 2018 regular meeting for approval.

Mr. Kinton moved approval of the Minutes of the Employees' Retirement Fund Board of Trustees February 13, 2018 regular meeting. Ms. Richardson seconded the motion and the Minutes of the Employees' Retirement Fund Board of Trustees February 13, 2018 regular meeting were unanimously approved.

MINUTES  
MARCH 13, 2018  
PAGE 2

**DISCUSSION AND APPROVAL OF: (continued)**

**Consent Agenda of March 13, 2018**

Total Number of Retirees:	47
Total Number of Survivors:	8
Total Number of Termination/Redistribution of Survivor Benefits:	0
Total Number of QDRO Benefits:	1
Total Number of Small Estates:	5
Total Number of Large Estates:	0
Total Number of Disability Continuations:	2
Total Number of Deferred Vested:	0
Total Number of Final Calculations	0
Total Number of Corrections	0
Total Number of Resolution 2016-1 Re-Applications for Retirement Benefits	0

Ms. Richardson moved approval of the Consent Agenda of the Employees' Retirement Fund Board of Trustees March 13, 2018 regular meeting. Mr. Kinton seconded the motion and the Consent Agenda of the Employees' Retirement Fund Board of Trustees March 13, 2018 regular meeting was unanimously approved.

**INDIVIDUAL ITEMS – DISCUSSION OF AND/OR APPROVAL OF:**

**I. EMPLOYEES' RETIREMENT FUND**

**1. CLOSED SESSION (MEDICAL DETERMINATIONS)**

Discussion of disability retirement applications will be closed to the public under the terms of Section 551.078 of the Texas Open Meeting Act.

**APPLICATION** of total and permanent disability retirement:

Total Number of Disability Applications:	2
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Ms. Richardson made a motion to approve the disability retirement applications. Following a second by Mr. Bowman, the motion was unanimously approved.

MINUTES  
MARCH 13, 2018  
PAGE 3

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

2. Presentation by JoAnn Price, Alan Mattamana and Kola Olofinboba of Fairview Capital (Attachment)

There was no motion made on this item.

The meeting recessed at 9:59 a.m. The meeting reconvened at 10:15 a.m.

3. Discussion, Consideration and Possible Commitments to Fairview Capital and Grosvenor Capital Management (Attachment)

Mr. Bowman made a motion to approve a \$30 million-dollar allocation to Fairview Capital and a \$10 million-dollar allocation to Grosvenor Capital Management. The motion was seconded by Mr. Kinton. The motion was unanimously approved.

4. Discussion of ERF Asset Allocation Modeling Update by Ali Kazemi of Wilshire Associates (Attachment)

There was no motion made on this item.

5. Selection of Real Estate Investment Trust (REIT) Managers for Finals Presentations (Attachment)

Mr. Bowman made a motion to approve CenterSquare Investment Management, and Heitman LLC for the Real Estate Investment Trust (REIT) Managers for Finals Presentations. Following a second by Ms. Richardson, the motion was unanimously approved.

6. Discussion, Consideration and Possible Action to Revise Baring Asset Management Investment Guidelines (Attachment)

Dr. Peavy made a motion to approve the revisions to Baring Asset Management Investment Guidelines. The motion was seconded by Mr. Kinton. The motion was unanimously approved.

7. Discussion, Consideration and Possible Action to Approve Grant Thornton LLP Engagement Letter (Attachment)

Mr. Bowman made a motion to approve the Grant Thornton LLP Engagement Letter and to authorize the Chair to sign the letter pending legal approval. Following a second by Dr. Peavy, the motion was unanimously approved.

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

8. Possible Attendance at:
  - a. 36<sup>th</sup> Annual Wilshire Consulting Client Conference to be held April 22-24, 2018
  - b. 2018 Wellington Institute to be held April 30-May 4, 2018 (Attachment)
  - c. 2018 AQR Forum to be held May 16, 2018 (Attachment)
  - d. National Conference on Public Employee Retirement Systems (NCPERS) Annual Conference & Exhibition to be held May 13-16, 2018 (Attachment)
  - e. World Investment Forum 2018 to be held May 20-23, 2018 (Attachment)

Mr. Bowman made a motion to approve three ERF representatives to attend the 36<sup>th</sup> Annual Wilshire Consulting Client Conference, one ERF representative to attend the 2018 Wellington Institute, three ERF representatives to attend the 2018 AQR Forum, two ERF representatives to attend the National Conference on Public Employee Retirement Systems (NCPERS) and three ERF representatives to attend the World Investment Forum 2018. Following a second by Mr. Kinton, 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.

MINUTES  
MARCH 13, 2018  
PAGE 5

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

11. Resolution Updating Signature Authorizations for ERF Checking Account (Attachments)

Mr. Kinton made a motion to approve the Resolution updating signature authorizations for the ERF checking account at The Northern Trust Company and to authorize the designated parties to sign. Following a second by Mr. Bowman, the motion was unanimously approved.

**II. CITY OF DALLAS SECTION 415 PLAN**

12. Resolution Updating Signature Authorizations for Section 415 Checking Account (Attachments)

Mr. Kinton made a motion to approve the Resolution updating signature authorizations for the City of Dallas Section 415 checking account at The Northern Trust Company and to authorize the designated parties to sign. Following a second by Mr. Bowman, the motion was unanimously approved.

**I. EMPLOYEES' RETIREMENT FUND**

1. **CLOSED SESSION (MEDICAL DETERMINATIONS)**

There was discussion.

Mr. Kinton made a motion to reconsider the approval of two disability applications. The motion was seconded by Ms. Richardson. The motion was unanimously approved.

Mr. Bowman made a motion to approve disability retirement application "A" and defer disability application "B". Following a second by Mr. Kinton, the motion was unanimously approved.

The meeting recessed at 11:29 a.m. The meeting reconvened at 11:35 a.m.

13. **CLOSED SESSION (LEGAL)**

Discussion of legal matters will be closed to the public under the terms of Section 551.071 of the Texas Open Meetings Act.

The meeting then went into Closed Session at 11:47 a.m. under the provisions of Section 551.071 (legal) of the Texas Open Meetings Act for the purpose of discussing legal matters.

MINUTES  
 MARCH 13, 2018  
 PAGE 6

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

**13. CLOSED SESSION (LEGAL) (continued)**

The meeting reconvened at 12:32 p.m. No other matters were discussed in Closed Session.

Mr. Bowman made a motion to authorize the Board Chair to send a letter on behalf of the Board of Trustees to City Officials to clarify the Board's position on potential changes to Chapter 40A. Ms. Richardson seconded the motion.

There was discussion.

Mr. Kinton made a substitute motion to authorize the Board Chair to initiate communications on behalf of the Board of Trustees with City Officials regarding concerns about proposed changes to Chapter 40A. Following a second by Ms. Richardson, the motion was unanimously approved.

The Executive Director stated that there was no further business to come before the Board. The Chair adjourned the meeting at 12:34 p.m.

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

APPROVED:

  
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 John D. Jenkins, Chair, Board of Trustees

ATTEST:   
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 Cheryl D. Alston, Executive Director

  
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 C. Kay Watson, Board Coordinator