

MINUTES**MEETING OF THE BOARD OF TRUSTEES****EMPLOYEES' RETIREMENT FUND OF THE CITY OF DALLAS****TUESDAY, FEBRUARY 8, 2022****9:00 A.M.**

This Employees' Retirement Fund of the City of Dallas Board meeting was held by videoconference and at 1920 McKinney Avenue, 10th Floor.

Meeting: John W. Peavy III and Cheryl D. Alston presiding

Present: Henry Talavera (attended virtually), John W. Peavy III, Carla D. Brewer, Sunil King, Tina B. Richardson, Dupree Scovell and Mark Swann

Absent: None

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

Others Present: John Balaod, Peter Cherecwich, Grant Danner, Tom Eichenberger, Gary Guibert, Paul Heer, Ali Kazemi, Brad Kelly, Peter Landers, Cris Maturana, Matthew Maynard, Paul McDonough, Brian O'Reilly, Maria O'Toole, Jeff Porta, Lindsay Saienni, Rafael Stone, Manet Schuman, Stefan Smith, Kathy Stevenson, Tamer Tullgren and Thomas Toth

With a quorum present, the regular meeting of the Employees' Retirement Fund Board of Trustees was called to order at 9:06 a.m. by Cheryl D. Alston, Temporary Board Chair.

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DISCUSSION AND APPROVAL OF:

The Temporary Board Chair presented the Minutes of the Employees' Retirement Fund Board of Trustees December 14, 2021 regular meeting for approval.

Dr. Peavy moved approval of the Minutes of the Employees' Retirement Fund Board of Trustees December 14, 2021 regular meeting. Mr. Swann seconded the motion and the Minutes of the Employees' Retirement Fund Board of Trustees December 14, 2021 regular meeting were unanimously approved.

Consent Agenda of January 18, 2022

I. EMPLOYEES' RETIREMENT FUND OF THE CITY OF DALLAS

Approved January 18, 2022 by the Executive Director According to Resolution 2015-2

Total Number of Retirees:	24*
Total Number of Survivors:	11*
Total Number of Termination/Redistribution of Survivor Benefits:	0
Total Number of QDRO Benefits:	0
Total Number of Estates:	5*
Total Number of Disability Continuations:	0
Total Number of Deferred Vested:	0
Total Number of Recalculations:	0
Total Number of Corrections:	1*
Total Number of Resolution 2015-2 Retirements (Hardship):	41*

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

II. CITY OF DALLAS SECTION 415 PLAN

Total Number of City of Dallas Section 415 Plan Retirees	1*
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DISCUSSION AND APPROVAL OF: (continued)

Consent Agenda of February 8, 2022

I. EMPLOYEES' RETIREMENT FUND OF THE CITY OF DALLAS

Total Number of Retirees:	36
Total Number of Survivors:	2
Total Number of Termination/Redistribution of Survivor Benefits:	0
Total Number of QDRO Benefits:	0
Total Number of Estates:	6
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

Mr. Scovell moved approval of the Consent Agenda of the Employees' Retirement Fund Board of Trustees February 8, 2022 regular meeting. Dr. Peavy seconded the motion and the Consent Agenda of the Employees' Retirement Fund Board of Trustees February 8, 2022 regular meeting was unanimously approved.

INDIVIDUAL ITEMS – DISCUSSION OF AND/OR APPROVAL OF:

1. Discussion, Consideration and Possible Action on Disability Retirement Applications

APPLICATION(S) of Total and Permanent Disability Retirement:

Total Number of Disability Applications:	1
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Mr. King made a motion to approve the disability retirement application(s). Following a second by Mr. Swann, the motion was unanimously approved.

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

2. Election of Board Officers

Dr. Peavy made a motion to nominate Henry Talavera as Chair of the Board. Mr. Scovell 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. Talavera made a motion to nominate John W. Peavy III as Vice Chair of the Board. Mr. King seconded the motion.

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

Following a unanimous vote, John W. Peavy III was elected to serve as Vice Chair of the ERF Board of Trustees.

Both Mr. Talavera and Dr. Peavy consented to their appointments to their respective positions.

Henry Talavera attended the meeting virtually and Vice Chair, John W. Peavy III chaired the remainder of 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 Dr. Peavy 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.

3. Finals Presentations and Selection of Legal Firm(s)

Mr. Smith left the meeting at 9:15 a.m.

- a. Foster Garvey by Paul Heer, Matthew Maynard and Rafael Stone (Attachment)

Mr. Smith rejoined the meeting at 9:51 a.m.

The meeting recessed at 9:53 a.m. The meeting reconvened at 10:04 a.m.

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

3. Finals Presentations and Selection of Investment Consultant(s) (continued)
 - b. Locke Lord by Sarah Lacy, Brian O'Reilly, Stefan Smith and Tamer Tullgren (Attachment)

Ms. Lacy did not attend the meeting.

Mr. Smith left the meeting at 10:33 a.m.

The meeting recessed at 10:34 a.m. The meeting reconvened at 10:45 a.m.

Ms. Richardson made a motion to approve the Executive Director to establish a five-year agreement with Foster Garvey to provide Investment Legal Services; and a five-year agreement with Locke Lord to provide Benefit Legal Services and authorize the Board Chair to sign the contracts.

There was discussion.

Ms. Brewer seconded the motion. The motion was unanimously approved.

Mr. Smith rejoined the meeting at 11:05 a.m.

4. Finals Presentations and Selection of Master Custodian
 - b. State Street Corporation by Jason Hittinger, Paul McDonough and Maria O'Toole (Attachment)

Mr. Hittinger did not attend the meeting.

Grant Danner attended the meeting.

The meeting recessed at 11:41 a.m. The meeting reconvened at 11:48 a.m.

- a. Northern Trust Corporation by Pete Cherecwich, Gary Guibert and Kathy Stevenson (Attachment)

Mr. Talavera made a motion to approve the Executive Director to establish a five-year agreement with Northern Trust Corporation and authorize the Board Chair to sign the contract. Following a second by Mr. King, the motion was unanimously approved.

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

5. Fourth Quarter 2021 Review by Thomas Toth and Ali Kazemi of Wilshire Consulting (Attachments)

Mr. Kazemi left the meeting at 11:52 a.m.

There was no motion made on this item.

6. Discussion, Consideration and Possible Action to Revise Oaktree Capital Investment Guidelines (Attachments)

Dr. Peavy made a motion to approve the requested Manager guideline changes as noted and authorize the Board Chair to sign. Following a second by Mr. King, the motion was unanimously approved.

7. Discussion, Consideration and Possible Action to Revise T. Rowe Price Associates, Inc Investment Guidelines (Attachments)

Ms. Brewer made a motion to approve the requested Manager guideline changes as noted and authorize the Board Chair to sign. Following a second by Mr. Talavera, the motion was unanimously approved.

8. Possible Attendance at:

- a. Women's Private Equity Summit 2022 to be held March 9-11, 2022 (Attachment)
- b. 7th Annual ALTSLA 2022 to be held March 23-24, 2022 (Attachment)
- c. TEXPERS Annual Conference 2022 to be held April 3-6, 2022 (Attachment)
- d. Women's Venture Capital Summit to be held May 5-6, 2022 (Attachment)

Mr. Scovell made a motion to approve seven ERF representatives to attend the Women's Private Equity Summit 2022, seven ERF representatives to attend the 7th Annual ALTSLA 2022, seven ERF representatives to attend the TEXPERS Annual Conference 2022 and seven ERF representatives to attend Women's Venture Capital Summit. Following a second by Mr. Swann, 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

December 2021

January 2022

There was no motion made on these items.

b. Monthly Performance Report

December 2021

January 2022

There was no motion made on these items.

d. ERF at a Glance (Attachments)

December 2021

January 2022

There was no motion made on these items.

The meeting recessed at 1:07 p.m. The meeting reconvened at 1:27 p.m.

10. Incentive Compensation Payout Study by Thomas Toth of Wilshire Consultants and Brad Kelly and Peter Landers of Global Governance Advisors

The meeting recessed at 1:42 p.m.

The Board of Trustees convened in a Closed Executive Session at 1:43 p.m. pursuant to Texas Government Code Section 551.074 for the purpose of personnel matters.

The Board of Trustees reconvened its open meeting at 2:47 p.m. No other matters were discussed in Closed Executive Session.

Ms. Brewer made a motion to accept the newly designed 2022 proposed Investment Payout policy and for staff to amend the policy and put it into place. Following a second by Mr. King, the motion was unanimously approved.

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

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

The meeting recessed at 2:49 p.m.

The Board of Trustees convened in a Closed Executive Session at 2:50 p.m. pursuant to Texas Government Code Section 551.071 for the purpose of consultation with legal counsel.

The Board of Trustees reconvened its open meeting at 3:13 p.m. No other matters were discussed in Closed Executive Session.

There was no motion made on this item.

The Executive Director stated that there was no further business to come before the Board. The Chair adjourned the meeting at 3:13 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 (Apr 13, 2022 14:08 CDT)
 Henry Talavera, Chair, Board of Trustees

ATTEST: *Cheryl D. Alston*
cheryl alston (Apr 13, 2022 14:11 CDT)
 Cheryl D. Alston, Executive Director

Kay Watson
Kay Watson (Apr 13, 2022 14:25 CDT)
 C. Kay Watson, Board Coordinator












ERF Board Minutes February 8th

Final Audit Report

2022-04-13

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