

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

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

Present: Carla D. Brewer, Craig D. Kinton, Lee M. Kleinman, Dr. John W. Peavy III, and Tina B. Richardson

Absent: John D. Jenkins and Randy Bowman

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

Others Present: Zaman Hemani, Paul Kelly, Stefan Smith, Jemimah Stratford and Jamie Vitiello

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.

DISCUSSION AND APPROVAL OF:

The Temporary Board Chair presented the Minutes of the Employees' Retirement Fund Board of Trustees December 12, 2017 regular meeting for approval.

Mr. Kinton moved approval of the Minutes of the Employees' Retirement Fund Board of Trustees December 12, 2017 regular meeting. Ms. Richardson seconded the motion and the Minutes of the Employees' Retirement Fund Board of Trustees December 12, 2017 regular meeting were unanimously approved.

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DISCUSSION AND APPROVAL OF: (continued)

Consent Agenda of January 9, 2018

Total Number of Retirees:	8
Total Number of Survivors:	1
Total Number of Termination/Redistribution of Survivor Benefits:	0
Total Number of QDRO Benefits:	0
Total Number of Small Estates:	0
Total Number of Large Estates:	0
Total Number of Disability Continuations:	0
Total Number of Deferred Vested:	1
Total Number of Final Calculations	1
Total Number of Corrections	1
Total Number of Resolution 2015-2 Retirements (Hardship)	0
Total Number of Resolution 2016-1 Re-Applications for Retirement Benefits	2

Ms. Richardson moved approval of the Consent Agenda of the Employees' Retirement Fund Board of Trustees January 9, 2018 regular meeting. Ms. Brewer seconded the motion and the Consent Agenda of the Employees' Retirement Fund Board of Trustees January 9, 2018 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 John D. Jenkins as Chair of the Board. Dr. Peavy seconded the motion.

No other nominations were made for Chair of the Board.

Mr. Kinton made a motion to close the nominations for the Chair position on the Board. Ms. Richardson seconded the motion.

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

1. Election of Board Officers (continued)

Following a unanimous vote, John D. Jenkins was elected to serve as Chair of the ERF Board of Trustees.

In John Jenkins' absence, Cheryl D. Alston chaired the remainder of the Election of Board Officers.

Dr. Peavy made a motion to nominate Carla D. Brewer as Vice Chair of the Board. Ms. Richardson seconded the motion.

Mr. Kinton made a motion to nominate Tina B. Richardson as Vice Chair of the Board, following a second by Ms. Brewer.

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

Mr. Kinton made a motion to close the nominations for the Vice Chair position on the Board. Ms. Richardson seconded the motion. The motion was unanimously approved.

A roll call vote was requested for Carla D. Brewer for Vice Chair:

Ms. Brewer – Aye
Mr. Kinton – Nay
Dr. Peavy – Abstain
Ms. Richardson – Abstain

The vote failed for lack of a 4 (four) vote majority as required in Chapter 40A, the Plan document.

A roll call vote was requested for Tina B. Richardson for Vice Chair:

Mr. Kinton – Aye
Ms. Richardson – Aye
Dr. Peavy – Abstain
Ms. Brewer – Abstain

The vote failed for lack of a 4 (four) vote majority as required in Chapter 40A, the Plan document.

There was discussion.

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

1. Election of Board Officers (continued)

Mr. Kinton made a motion to elect Dr. John W. Peavy III. as Interim Vice Chair. Following a second by Ms. Richardson, the motion was unanimously approved.

Mr. Kinton made a motion to defer this item until the February Board Meeting. Dr. Peavy seconded the motion. The motion was unanimously approved.

2. Pension Accounting System – Proposed Infrastructure Configuration: Presentation by Jamie Vitiello, Paul Kelly and Chris Lodge of Vitech Systems Group and Duc Lam of ERF (Attachment)

Mr. Kleinman arrived at 9:19 a.m.

Mr. Lodge did not attend the meeting.

There was no motion made on this item.

1. Election of Board Officers (continued)

Dr. Peavy made a motion to reconsider the deferred Vice Chair vote but did not receive a second.

3. Discussion, consideration, and possible action to approve an agreement with Vitech Systems Group to provide pension accounting software system and related services

Ms. Richardson made a motion to approve an agreement with Vitech Systems Group to provide pension accounting software system and related services. Following a second by Ms. Brewer, the motion was unanimously approved.

Mr. Kleinman made a motion to authorize the Executive Director to negotiate a contract for a Project Manager Consultant, not to exceed \$150,000, to oversee this process to include on the job training. Ms. Richardson seconded the motion. The motion was unanimously approved.

The meeting recessed at 10:52 a.m. The meeting reconvened at 11:05 a.m.

4. Consideration and Possible Plan of Action for Advantus Capital Management

Mr. Kinton made a motion to place Advantus Capital Management on the Investment Manager watch list for six months. Following a second by Ms. Brewer, the motion was unanimously approved.

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

5. Approval of Trustee to attend REIT Due Diligence Trips

Ms. Richardson made a motion to approve a Trustee to attend REIT Due Diligence Trips. Following a second by Mr. Kleinman, the motion was unanimously approved.

6. ERF Strategic Plan 2018 (Attachment)

There was no motion made on this item.

7. City Council Meeting Calendar (Attachment)

There was no motion made on this item.

8. First Quarter 2018 Cash Requirements and Rebalancing (Attachment)

Mr. Kinton made a motion to approve the funding of the first quarter 2018 cash requirements and rebalancing as outlined on the attachment. Ms. Richardson seconded the motion. The motion was unanimously approved.

9. Possible Attendance at:

- a. CFA Texas Investor Summit to be held February 22-23, 2018 (Attachment)
- b. Oaktree Conference 2018 to be held March 14-15, 2018 (Attachment)
- c. The Pension Bridge Annual Conference to be held April 10-11, 2018 (Attachment)
- d. Institutional Investment Forum to be held April 17, 2018 (Attachment)

Ms. Brewer made a motion to approve seven ERF representatives to attend the CFA Texas Investor Summit, three ERF representatives to attend the Oaktree Conference 2018 and one ERF representative to attend The Pension Bridge Annual Conference. Following a second by Ms. Richardson, the motion was unanimously approved.

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

10. Reports and Recommendations by Executive Director and Staff:
- a. Asset Allocation Report
 - b. Monthly Performance Report
 - c. ERF at a Glance (Attachment)

There was no motion made on this item.


The Executive Director stated that there was no further business to come before the Board. The Interim Vice Chair adjourned the meeting at 11:49 am.

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